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FINANCIAL TIMES

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NEWS SUMMARY

GENERAL

Franco survives further surgery

General Franco survived his d stomach operation in 11 s yesterday. Doctors rated on the 82-year-old nish leader after he showed s of shock because stitches n his second operation had e apart. Last night his con- on was very grave.

he general has been seriously since his heart attack of ober 21. The latest operation ed two hours.

Sahara deal

s doctors battled to keep eral Franco alive, agreement rged in Madrid after two s of talks between Spain, occo and Mauretania on the re of the Spanish Sahara.

pain is to withdraw from the itory on February 28 and e it to a provisional admini- tion formed by Morocco and retania. Page 13

A bombers London il demo

ee men serving long sen- es for IRA bomb offences e still on the roof of London's mwood Scrubs jail last night, esting against "inhumane" ing restrictions. They wore llen clothing under their uni- s and were sustained by from the canteen.

Ulster, where Mrs. Margaret cher paid her first visit, the efire between the feuding isional and Official IRA in jeopardy as Belfast Pro- onals refused to negotiate. night bombs blasted a Bel- hotel and a Londonderry oms post. Mrs. Thatcher's , Page 9.

ngeness alert oil slick

k is to continue over the -end to clear oil polluting estone harbour and Kent hes. Dungeness nuclear er station was yesterday on ial alert against the possibi- of oil infiltrating the water ke system and forcing a shut- n. Page 9

ack to work Fleet Street

duction of national news- ers was resumed last night in t Street after Beaverbrook spapers had agreed to re- ate 96 dismissed Daily ress engineers. National spapers, including the Finan- Times—but excepting the munist Morning Star—lost London production yester- Back Page

angeable eather ahead

ngeable weather is forecast the Meteorological Office for next 30 days, but some ed anti-cyclonic spells are cted, especially in December. e 5.

. K. 'contempt'

Congressional committee erday voted to cite Dr. Henry inger, U.S. Secretary of e for contempt for refusing hand over classified intelli- e documents. Back Page

p ship raided

io Caroline went off the air night after Essex police ded its HQ ship, Mia Amigo, he Thames Estuary. Four from the vessel are to ear in court at Southend to- charged under the 1967 ine Broadcasting (Offences)

iefly ...

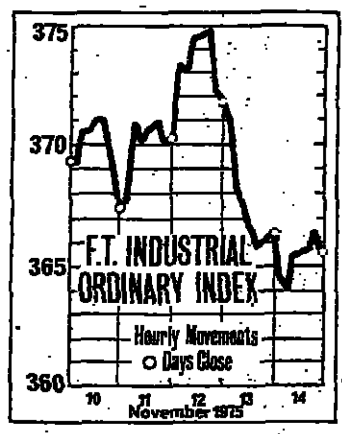
dinal Heenan was buried yes- ay in Westminster Cathedral r a funeral service attended more than 2,000 people.

usands of Australian Labor ty supporters demonstrated erday to demand the return heir Government. Sir John r, Man of the Week, Back

BUSINESS

Equities gain 14.4 over the Account

● EQUITIES registered mild disappointment with the trade figures. The FT 30-share index closed 0.8 down at 365.6.



Although falling 3.7 on the week, the index gained 14.4 oper the account. GILTS were also a fraction lower on the day.

● WALL STREET closed 2.44 up at 853.67 in mixed trading. Investors appeared to be awaiting a clear cut decision on Federal aid for New York.

● DOLLAR improved in the foreign exchange market. Its weighted depreciation narrowed to 2.34 (2.72) per cent.

● GOLD fell $1¾ to $142.

● U.S. INDUSTRIALS production index rose by only 0.4 per cent. last month, amid doubts over the extent of the U.S. economic recovery. Page 13

Home loans at new peak

● BUILDING SOCIETIES lent a record £492m. to home buyers last month, and savings in the movement rose by £306m. Back Page

● BRITISH STEEL scheme to raise £70m. in steel stock bonds has met Bank of England opposition. The corporation, warning of a £340m. loss this year, wants to cut costs by £400m. Back Page

● FIRST NATIONAL CITY BANK of New York is to pay £5m. to step up its stake in Grindlays Bank from 40 to 49 per cent. Page 15

● NATIONAL WESTMINSTER Bank has sold its 8 per cent. stake in Standard Chartered Bank. Page 10

● INDUSTRIE PIRELLI is to lay off 1,450 workers despite an earlier agreement with the unions not to reduce the work-force.

● LIFEGUARD ASSURANCE is to be examined by consultant actuaries Bacon and Woodrow to determine how much new capital is needed. It is believed that £1.5m. is required. Page 10

COMPANIES

● CHLORIDE GROUP pre-tax profits slipped to £7.32m. (£7.96m.). The Board hopes the second half should be better. Page 16 and Lex

● REDLAND half-year taxable profits made a small improvement to £10.59m. (£10.31m.) helped by better figures from the U.K. Page 16 and Lex

● BOOTS half-year, pre-tax profit rose to £30.72m. (£26.42m.) after providing £4.4m. towards an actuarial deficit of £8.83m. in the pension fund. Page 19

● SMITHS INDUSTRIES reports a record pre-tax profit of £12.54m. (£11.29m.) for the year ended August 2. Page 18

● REED INTERNATIONAL has agreed to buy a 31.4 per cent. stake in South African packaging group Nampak, and intends to make a £9.3m. bid to other shareholders to lift its holding to 52 per cent.

● ITT net income for the third quarter fell to $82m. ($111.6m.) to give a nine-month total of $288.1m. ($360.0m.). Page 20

IEF PRICE CHANGES YESTERDAY

ces in pence unless otherwise indicated)

RISES:		
V.	243	+ 5
obel	180	+ 4
	221	+ 5
wed	99	+ 3
s Inds.	172	+ 7
ips' Lamp	320	+ 25
land	98	+ 3
b Caledon	37	+ 4
e Darby	102	+ 6
er Walker 9½% cnv. 1984	£49½	+ ½
vart Plastics	73	+ 4
nehill Holdings	85	+ 5
riff	72	+ 10
th'n. Pacific Petrl.	23	+ 5
orco	206	+ 12
continental	725	+ 20
FALLS:		
rcom	300	− 8
Amal. Inv. & Prop.	12½	− 3½
Brit. Home Stores	378	− 6
Costain (R.)	220	− 4
Decca "A"	228	− 6
Guinness Peat	178	− 7
Hammerson "A"	317	− 8
Lyons (J.) "A"	133	− 5
McCorquodale	230	− 5
Metal Box	259	− 5
Reardon Smith "A"	118	− 5
Smith W. H. "A"	408	− 8
Standard & Charterd.	480	− 10
Stock Conv.	145	− 4
Trafalgar House	92	− 4
Wigfall (H.)	168	− 5
Cons. Tea & Lands	360	− 10
Woodside-Burmah	93	− 6
Anglo-American	384	− 6
Anglo-American Gold	£30½	− 1½
Doornfontein	745	− 35
Harmony	520	− 35
Loraine	185	− 11
Union Corp.	420	− 10

Improving trend in inflation maintained during October

BY MICHAEL BLANDEN

The pace of price inflation slowed again last month as the impact of wage rises on the retail price index continued to slacken.

Figures published by the Department of Employment yesterday show that in the 12 months to October the cost-of-living index increased by 25.9 per cent. to 142.5 (January 15, 1974=100), the lowest annual rate of increase from May.

This compares with a year-to-year rise of 26.6 per cent. in the previous month and a peak 26.9 per cent. in August. The slowdown has continued in spite of a rather sharper increase of 1.4 per cent. in October compared with the previous month.

This rise compared with an increase of only 0.9 per cent. between August and September, but was mainly due to price rises already in the pipeline and was therefore anticipated.

There are signs of increasing confidence in Whitehall that the trend of prices is in line with the Government's aim of cutting the year-on-year inflation rate to about 10 per cent. by the end of 1976.

It is recognised that there are still a considerable number of price increases which will make their impact on the index in coming months. And there is concern over the future effect of the recent renewed increases in the level of industry's raw material prices, which showed a jump of 3¾ per cent. in October alone.

Nevertheless, the pattern of retail price movements is much as expected, with the August peak probably marking the turning-point. Already the contribution of wage costs to price increases has been markedly reduced from its dominating influence earlier this year.

As the counter-inflation policy makes its mark it is felt there could be a sharp slow-down in price inflation in the Spring, at least as far as domestic influences on costs are concerned.

Probably the most encouraging figure is the index for all items except seasonal food where, to eliminate short-term fluctuations, the Department calculates the changes over the past six-month period. In spite of a 1.3 per cent. jump last month, the increase over the six months to October was down to 10.4 per cent.—equivalent to an annual rate of 21.9 per cent.—compared with 12.9 per cent. in the six months to September and a peak 16.8 per cent. rise in the June period.

The 1.4 per cent. increase in the all-items index in October was rather higher than in other recent months. But it was due to a number of expected rises including particularly higher telephone and postal charges, which alone accounted for a quarter of the rise.

Other factors in the increase last month were larger local authority rents, higher winter prices for domestic coal and coke, and increases in some fresh vegetables and other goods and services. The index for seasonal foods alone showed a rise of 3.1 per cent.

Nevertheless, food prices continue to show a lower rate of increase, with the rise in the 12 months to October at 25.4 per cent.—the lowest since March.

The increased post and telephone charges were also reflected in a 7.7 per cent. jump in the price of services generally.

Increases expected to come through during the current month include higher milk prices, increased London bus and Underground fares and some other fare rises, and continuing effects of the increase in the price of gas. Further ahead there will be higher prices for petrol and the effects on the cost of electricity of the fuel cost adjustment.

Ministers see progress. Page 9

Trade gap holds steady at £206m.

U.K. visible trade deficit held virtually steady at £206m. in October. After allowing for £110m. estimated surplus on "invisibles," this left a £96m. balance of payments deficit on current account. For the first 10 months of this year, current account deficit is just over £1.5bn.

Back page

Leaders at summit less gloomy over prospects

BY WILLIAM KEEGAN, ECONOMICS CORRESPONDENT

HEADS of Government attending the six-nation economic summit which starts this evening at Rambouillet, near Paris, are now less pessimistic about the immediate prospects for the world economy than seemed likely when the conference was called several months ago.

Although it is always possible that some countries will express the desire to see further reflationary measures taken by others, the central economic themes of the summit are likely to be:

1—The need to ensure that if, as many countries believe, a slow world economic recovery is nearly under way, it is not allowed to peter out.

2—An exchange of ideas on how to prevent a recovery from getting out of hand, and precipitating an even worse inflationary explosion than the boom of 1972-1973.

In addition to President Giscard d'Estaing of France, who called the conference, the other world leaders due to attend the three-day summit are President Ford of the U.S.; Mr. Wilson, U.K.; Herr Schmidt, West Germany; Sig. Moro, Italy; and Mr. Miki, Japan.

The difference of opinion between the forecasts which will be available to the heads of Government and their Foreign and Finance Ministers is illustrated by the case of Germany, where German Government forecasts of a growth rate of between 3 and 5 per cent. in real gross national product next year contrast with an OECD secretariat forecast of 1.6 per cent.

The world leaders will take it in turn to head the topics for discussion, which in addition to the world economic situation include energy policy, relations between the industrialised nations and the developing world, and international trade and monetary matters.

But the field for further discussion is wide open and among the many other issues expected to be touched on are the financial crisis of New York City and the state of the motor industry.

President Ford is expected to initiate discussions on energy, as countries prepare for the full-scale conference of oil producers and consumers in Paris next month.

The slightly less concerned feeling about the general world economic scene is likely to emerge from a discussion led by Herr Schmidt.

It is understood that Chancellor Schmidt does not have an urgent message to deliver in favour of "co-ordinated stimulation" of economies, and that the Germans are pleased at the recent downturn of U.S. interest rates.

The British are now less concerned with urging other countries to reflate than with watching to see whether the economic recovery can be maintained. They will be emphasising the need for countries to adopt "a flexible attitude" and be prepared to take further measures "as and when they are seen to be needed."

The topic which prompted M. Giscard's original idea for the conference—U.S. and French differences on fixed and floating exchange rates—has become a less explosive issue.

The French President said this week that he was not calling for a return to fixed parities, but seeking a mechanism which would limit the extent of fluctuations. Countries have until the IMF interim committee meeting in January to study this

The final position of the U.S. Administration is unclear, but it is known that, unlike Mr. Simon, Treasury Secretary, the New York Federal Reserve Board favours more intervention to stablilise at current levels the dollar vis-à-vis the EEC "snake" currencies.

The summit discussions on relations between advanced countries and the developing world are to be initiated by Mr. Wilson.

He is expected to make a plea for rationalisation of the various plans for financial assistance to developing countries and bar more U.S. bilateral aid to the various world aid institutions.

Discussions on world trade and the ways of fighting protectionist tendencies will be led by Mr. Miki, the Japanese Prime Minister.

Editorial comment, Page 14

Federal aid likely for N. York

BY JAY PALMER NEW YORK, Nov. 14.

THE FORD Administration now appears to be willing to approve Federal Government aid for New York City.

Suggesting that the latest rescue plan for the city involves debt default in all but name, a White House spokesman hinted that President Ford could now help the city without breaking his earlier strong pledge not to "bail it out."

The President is "encouraged," the White House added, by New York's latest plan to help itself, and understands very clearly that this scheme would require "short-term" Federal Government intervention.

The abrupt reversal of Administration policy reflects the changing views of the President's senior economic advisers, many of whom now publicly favour assistance.

This morning, Mr. Hugh Carey, New York State Governor, who put together these latest proposals last week-end, held talks with Mr. William Simon, Treasury Secretary, over the scheme.

Although still unconfirmed, there are strong reports that Mr. Simon himself has reversed his refusal to consider aid.

The Administration's reappraisal of aid coincides with a new Federal Reserve Board report detailing the banking industry's heavy involvement in New York.

According to the report, 11 large New York city banks hold city and State debt equal to 28 per cent. of their capital.

Nationally, some 546 banks hold debt equal to 20 per cent. of capital, while in New York State 41 banks' total commitment exceeds 50 per cent. of capital.

In virtually every case, these holdings are far larger than previously thought.

Governor Carey's new proposals for aiding the city are far and away the most severe yet suggested and many argue that it is for this reason that the Administration has changed its mind.

Yesterday, the Governor called an emergency session of the State Legislature to approve elements of the scheme.

In addition to some form of direct or indirect Federal aid of no more than $7bn., the key proposal is a suggested moratorium on capital and interest payments of $1.6bn. of maturing city debt.

Holders of these notes would be offered substitute, longer maturity, and lower interest securities but if they failed to take these would get nothing at all.

First revealed on Wednesday, the moratorium plan has already generated intense opposition with holders of the notes threatening to fight the plan up to the Supreme Court.

City and State officials reject claims that this would be "de facto" default and cite precedents going back to the Depression.

The Governor's scheme also requires institutional holders of $2.4bn. of city notes to exchange their certificates for longer dated, lower interest bonds.

In distinct contrast to the prevailing attitude of private holders, the city's bankers all seem to favour the idea as an alternative to bankruptcy.

If the proposals can be tied together, municipal unions in the State will be asked to accept a year-long wage freeze.

The pension funds will be asked to buy still further city notes, while banks and leaders will have to provide fresh credit lines and roll over maturing debt.

State officials said that more than $1bn. in new city and State taxes will be raised, municipal employees will be forced to contribute to their own pension fund and New York City itself will be compelled to institute still harsher economies.

£ in New York

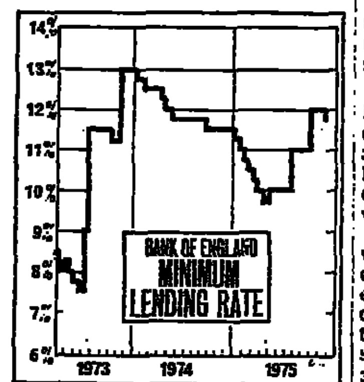
—	Nov. 14	Previous
Spot	$2.0456-0465	$2.0496-0505
1 month	0.92-0.93 dis	0.86-0.90 dis
3 months	2.48-2.44 dis	2.48-2.42 dis
12 months	7.98-7.83 dis	7.85-7.81 dis

Minimum Lending Rate cut $\frac{1}{4}\%$ to $11\frac{3}{4}\%$

BY MICHAEL BLANDEN

THE BANK of England's minimum lending rate was cut by ¼ per cent. to 11¾ per cent. yesterday, confirming the reversal of the recent sharp upward trend in U.K. interest rates.

The move was widely expected in the City after the downturn in the level of rates in the U.S.



The signs are that the change was acceptable to the Bank of England, but it was thought that the authorities might be unhappy if the downtrend continued too rapidly.

The pound came under some pressure in exchange markets, mainly as a result of the renewed strength of the dollar. The average depreciation of sterling from its December, 1971 levels ended at 29.7 per cent., a record closing low and equal to the low point reached during dealings on October 2. Against the dollar, sterling lost 75 points at $2.0465.

The fall in MLR followed a cut in the average rate at the Treasury bill tender from 11.2896 per cent. to 11.0884 per cent. It partly reverses the sharp rise from 10 to 12 per cent. instigated by the Bank

One of the main reasons for the moves was the need to protect the pound from pressure by maintaining the level of London interest rates in relation to rising U.S. rates, but recently there has also been concern over the dangers of renewed growth in the money supply.

The change is unlikely to lead immediately to any cut in bank lending rates, which are on an 11 per cent. base rate.

The sterling position, apparently, was not causing too much concern yesterday, and the lower interest rate trend is welcome, particularly because it should help the Bank in its task of selling gilt edged securities

Sales of short-dated stocks have been strong during the last week, with one "tap" issue running out on Monday.

Azevedo bows to strikers in Lisbon siege

BY PAUL ELLMAN LISBON, Nov. 14.

COMMUNIST-LED building workers dealt what may turn out to be an irreparable blow to the standing of Portugal's sixth Provisional Government in the early hours of to-day.

After holding out for almost 48 hours against striking building workers besieging his official residence and the National Assembly building, Admiral Pinheiro de Azevedo, the Prime Minister, capitulated at 5 a.m. to their claim for wage rises of up to 40 per cent. on the lowest rates.

The Government's climbdown in the face of what was widely considered here as a frontal assault by the Communist Party has left considerable doubts over its future prospects for survival.

Admiral de Azevedo's Cabinet was meeting this evening to discuss the aftermath of the strikers' victory, which has driven a coach and horses through plans to introduce severe wage restraints as part of the economic austerity programme the Government will have to adopt if it is to obtain financial support from the EEC and other international organisations.

Indecision

It is hard to see how the Socialists and Popular Democrats, who publicly denounce the tactics of the building workers and accuse the Communists of using the strike as a cover to bring down the Government, can remain in the Cabinet unless strict guarantees are received from the military leadership that future threats to its authority will be firmly quashed.

The Revolutionary Council of the Armed Forces Movement was reportedly paralysed by indecision over how to deal with the demonstrators during last night.

At one point the council told the workers that their demands could not be met and apparently decided in principle that troops would be brought in to clear the demonstrators.

However, a refusal by Brigadier-General Otelo Saraiva de Carvalho, commander of the internal security force, Copcon, to issue the necessary order left the council with no choice but to leave the Prime Minister to give in to the strikers.

Meanwhile, the Communist Party to-day publicly declared its support for a mass demonstration against the Government called for this Sunday by Lisbon workers' commissions.

The Communists issued a statement describing the current rash of unrest among industrial and agricultural workers as the working class's reply to the Government's "drift to the right."

The tide of events in Lisbon has produced a fresh upsurge of anti-Communist violence in the more conservative north of the country. Pro-Government demonstrators occupied and sacked Communist and trade union buildings in Oporto during the night.

In a series of street clashes—which left 11 injured—the demonstrators also occupied the studios of the Radio Clube, a station identified with the Communist Party.

Russian 'aid'

Fighter pilots, tank crews and advisers were among 400 Russian military personnel who arrived in Luanda yesterday to join Cuban troops assisting the Marxist MPLA as it prepares to defend the Angolan capital from attacks by rival nationalist groups, East European diplomatic sources reported. MPLA announces its Government, Page 13

FEATURES

ON OTHER PAGES

For latest Share Index 'phone 01-246 8026

The week in London and New York

Steady close to the Account

The account closed yesterday with the equity market still solidly based. The 30-Share Index succumbed to modest profit taking on Wednesday afternoon having got close to 375.0 by 2 p.m., and the downtrend washed over on to Thursday. But a steadier performance yesterday leaves the market just 3.6 points lower on the week at 365.7 for a net gain over the account of 14.5 points. Dealing activity is now much more fluid. Bargains marked over the past five sessions have averaged at around 8,100 daily which is almost a quarter up on the levels prevailing a month ago.

Gilts moved narrowly yesterday though they emerge higher on the week, and the Government Broker has been an active seller recently at the short end of the market. MLR duly moved down a ¼ point yesterday but the trade figures for October provided no encouragement, and sterling — with its trade weighted depreciation widening to 29.7 per cent.—has had its least comfortable week for some time.

Top performing Sectors in four weeks from October 16	% Rise
Motors & Distributors	+18.7
Newspapers, Publishing	+13.0
Machine & Other Tools	+ 8.9
Office Equipment	+ 8.4
Electricals	+ 8.0
Household Goods	+ 7.5
All-Share Index	+ 4.2
The Worst Performers	**% Fall**
Merchant, Banks	− 1.7
	% Rise
Property	+ 2.2
Hire Purchase	+ 1.9
Insurance (Composite)	+ 1.8
Banks	+ 1.5
Oils	+ 1.2

In equities, it is noticeable that some of the financial sectors have not been sharing in the general upturn. Banks and hire purchase are a fair way short of their 1975 peaks and so too is property after yet another bout of jitters yesterday.

No quick upturn for textiles

This week's message from Courtaulds and Coats Patons is that the upturn in the U.K. textile cycle is still some way off. Courtaulds has made £22.1m. pre-tax in the six months to September against £79.3m. and £46.4m. in the first and second halves of last year. The disappointment is that the current half may be no better than the first six months, which is contrary to the traditional seasonal pattern and contrasts with a noticeably more hopeful view at July's AGM. Coats Patons has produced £16.2m. against £25m. in its half-year to June, and it hopes to do a little better than that over the rest of the year.

Paint and packaging could account for nearly half Courtauld's profits to date, which shows how badly its fibre interests have suffered. Overseas sales are an eighth down by value in the first half: the group's biggest operation is in France, which to judge by the figures from Rhone Poulenc suffered particularly badly in the recession. The overseas companies are consolidated on a calendar year basis, so the U.S.-led recovery is not going to have much impact on this year's figures. Nor is it doing much so far for exports, which fell a tenth in the first half. At home, production seems to be stabilising but costs are still apparently rising faster than prices.

Courtaulds' sales are now running at well over £1bn., and its pre-tax margin at the top of the last cycle was 12 per cent. That is the support for a market capitalisation of £395m. at 144p, but the share price—which has outperformed the market since July—could be tested in the short term.

Coats Patons' story is broadly similar, although its gloom may have lightened a little in the past few months. Although U.S. price increases are still hard to achieve, volume is beginning to recover and Australia is also over the worst following a very tough first-half. Some of the specialist garment activities have held up well in the U.K., but knitwear and industrial textiles have been under severe pressure and recovery here is likely to be a long drawn out affair.

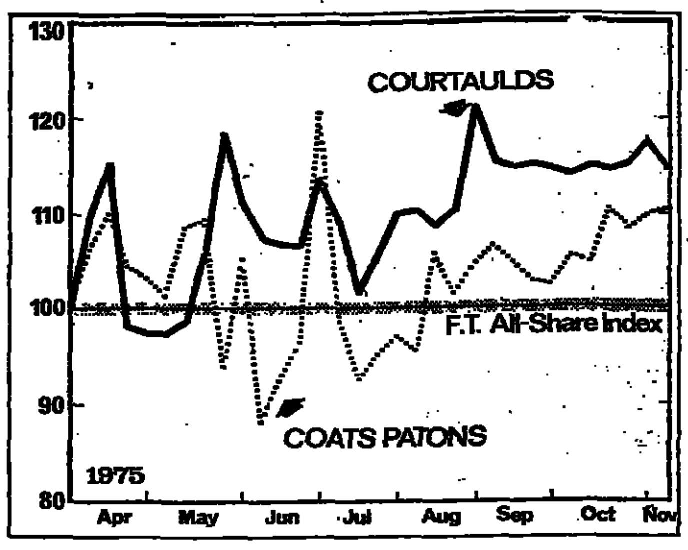
Meanwhile, the group has official consent for its forecast interim payment, and will be talking to the Treasury about the final next spring. Ahead of the recovery, the market capitalisation is £167m., and the prospective yield 7 per cent.

NatWest cashes in for £23m.

The intriguing point about Thursday's placing of NatWest's 8 per cent. stake in Standard Chartered Bank is that Midland which purchased Chase Manhattan's 12 per cent. interest last May, decided not to buy any of the newly offered shares. There are probably several reasons for its reluctance to raise its holding above the current 16 per cent. Paying £22.8m. would either have put extra strain on its free capital ratio, or would have required its fourth share or loan stock issue this year. Secondly, it may have feared repercussions from the Fed in the U.S., given that both Midland and SCB have American interests. Thirdly, it would have to be fairly sure about its long term amibitions regarding SCB before raising its stake so sharply, and SCB appears to be very keen on independence. As for NatWest, its SCB stake has looked surplus to requirements for some time, and the cash (around £23m.) will raise its free capital ratio—2.1 per cent. last December—by 0.2 points.

Unilever out of the trough

Unilever's recent share price strength found perspective on Wednesday when the group came up with record third quarter profits. After six months of 1975 Unilever was 50 per cent. down at £97m. pre-tax with large areas of continental



Europe in the red. But the third quarter has now produced £109m. which, annualised, points to earnings of around 50p a share, against just under 42p in 1974. Actual earnings are going to fall this year but nonetheless it is clear that the recession is now over for this Anglo-Dutch mammoth. Volume is still sluggish but margins are recovering after fifteen months of decline; and with interest costs peaking it now looks as though the group will emerge from 1975 with cash surplus to its fixed asset and working capital requirements.

In striking contrast, Philips' third quarter profits have almost disappeared with earnings down to Fls.0.01 a share. But signs of a recovery are beginning to peep through this gloom: third quarter sales were 14 per cent. higher after a static six months performance, and Philips reckons the current, final quarter could actually produce some modest volume gains. Philips may not manage to cover a maintained dividend in 1975: but the shares are now nearly a quarter above their 1975 low whereas the Amsterdam market is still very close to its October bottom.

Boots' polished performance

On Thursday Boots came out at the upper end of the retailing performance league for the summer—first half pre-tax profits are 16 per cent. up at £30.7m. (by comparison with a dull period) after a £4.4m. pension fund transfer. The size, if any, of further transfers at the year end to cover an actuarial deficit of £8.8m. has not been decided, so it can be regarded as a "one-off" item. Hence underlying margins have been well-maintained on sales growth of 23.6 per cent.; the biggest advances are on the manufacturing side with exports and overseas sales (less than a tenth of the total last year) in the van. Brufen has, for example, been the most successful new drug ever sold in the U.S., measured by first year sales.

Retailing has been less buoyant with negligible volume gains to date in existing stores, but with, of course, the further impact of continuing physical expansion—8 per cent. 1974-75 and about a tenth planned in the current year. Overall sales growth has, however, slowed from a rise of about a quarter after three months to around a fifth now with "more difficult" trading conditions in the major cosmetics market, for instance. The group warns about a lower rate of profit increase in the second half, so the full-year total could emerge in the £72m. to £75m. pre-tax range, against £65.7m. Relatively firm lately, the shares slipped 8p to 135p this week, but a prospective p/e of around the 13½ mark seems to be taking sufficient account of doubts about the level of discretionary spending—and has its attractions in the context of multiples in the upper teens for other leading retailers.

Onlooker

MARKET HIGHLIGHTS OF THE WEEK

	Price Y'day	Change on Week	1975 High	1975 Low	
F.T. Ind. Ord. Index	365.6	− 3.7	371.8	146.0	Pause after recent strong rise
F.T. Gold Mines Index	251.7	−19.3	442.3	231.6	Fall in bullion price
Alida Packaging	65	−14	88	49	Sharply lower interim profits
Amalgamated Inv. & Prop.	12½	− 6½	75	9½	Bearish comment on properties
Ball & Collins	56	−24	170	55	Dry Nth. Sea well
Beaverbrook "A"	39	− 5½	47½	12½	D. Express production troubles
Clarke (Clement)	53	+10	53	21	Nearly doubled interim profits
Common Bros.	86	+24	126	38	Excellent results/ship sale
Cons. Murchison	810	+80	810	360	Antimony exploration hopes
Courtaulds	144	− 6	154	53	Cautious outlook for 2nd-half
Cuthbert (R & G)	20	− 7½	39½	19½	No final div. & profits setback
Holt Products	39	+ 7	41	13	Prop. merger with Lloyds Inds.
Ibstock Johnsen	104	+12	104½	26	Rights issue/div. forecast
ICI	313	+12	319	118	Investment demand
Lloyds Inds.	59	+ 6	61	11	Prop. merger with Holt Prods.
Lucas Inds.	172	+24	172	37	Good preliminary figures
Marshall Morgan	93	+16	93	43	Pentos bid for outstanding shares
Sainsbury (J)	138	−28	184	81	Poor interim results
Slater Walker	23	− 5	108	20	Persistent small selling
Spillers	45½	− 3	48½	19	£12.4m. "Rights" Issue

NY City rescue

BY JAY PALMER NEW YORK, Nov. 14.

ABOVE ALL else, Wall Street abhors uncertainty. With its very short memory, the market can face and quickly shrug off individual disasters, however terrible they may be. But stories of continuing woes (like the New York City crisis) cast a huge pall over trading and work to drain every bit of enthusiasm from the market.

In these circumstances, it is hardly surprising that Wall Street's Dow Jones industrial index surged ahead by nearly 14 points last Wednesday in one of the heaviest trading volumes seen for some time. The full impact and severity of Governor Hugh Carey's rescue plan for the City had suddenly become apparent and, for the first time in many months, it looked as if an end to the crisis was in sight.

The market did not (and still does not) seem to care that this latest plan almost certainly involves bankruptcy for the City in everything but name.

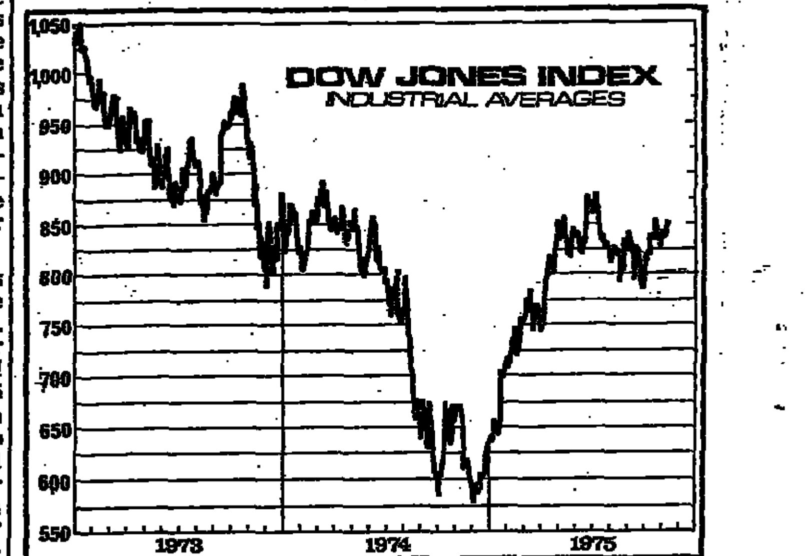
Taken as a package, these latest proposals comprise by far and away the harshest plan yet unveiled and, for this reason, it stands a far better chance of succeeding. The Ford Administration has always agreed that New York has never really made any moves to cure its own problems and, for this reason, it has always refused to rescue the City. Now there are strong hints that Federal aid might be forthcoming.

Although such Government help is an essential part of the new plan, it is not the most important element. That pride of place quite clearly falls to the planned moratorium of payments of capital and interest on certain City notes. At the same time, institutional holders of City debt will have to swap their investments for ones of longer maturity and lower interest while creditor banks are being asked to provide fresh loans and roll over or renew maturing debt.

After a year of desperately praying for Federal aid for the City, the real prospect of such help is now creating serious second thoughts. There are three separate arguments. First, that aid, however beneficial in the short-run, could cause long term damage to the bond markets by adding to Government debt needs and further crowding out less creditworthy corporate borrowers.

At the same time, it is argued that Federal aid and an end to the City crisis will prompt the Federal Reserve to remove its quiet support of the municipal bond market now that the danger of a domino effect is ruled out. This could cause bond prices to tumble. Finally, there is a very real fear that any help now would have to be followed up with more aid in the future and that New York city, unable to control its unions and spending, would continue its profligate way.

Despite all these fears it still seems that the market as a whole does still favour Federal intervention, but only as the lesser of two evils. In any event, on Thursday, Wall Street again in heavy trading moved lower following the White House hints of a relaxation in policy. However matters develop over the next week, it does now look as if the New York City blister is about to burst. This can only be good for the market in the medium term.



DOW JONES INDUSTRIALS

	Close	Change
MON.	835.48	− 0.32
TUES.	838.55	+ 3.07
WED.	852.25	+13.70
THURS.	851.23	− 1.02
FRI.	853.67	+ 2.44

MINES IN THE NEWS

Ignore mad hatters

BY KENNETH MARSTON

THE TROUBLE with throwing hats into the air is that they come down again and retrieving them can be an uncomfortable business. Thus the market in Australian mining shares has been scrabbling about uncertainly this week after the initial burst of euphoria which followed the exit of Mr. Gough Whitlam and his Labor Party Government Down-Under.

Certainly this departure will have caused no tears to be shed by the mining industry there. Not only did the Whitlam administration make life difficult for the existing mines by bureaucratic interference and dithering over decisions, but also it deterred the opening up of new prospects by clamping down on the entry of much needed overseas capital.

"Is it really good-bye to all that?" wondered the share market when the hats began to descend. After all, it is by no means certain that Australia's Liberal Party will win the pending General Elections. Furthermore, the Liberals are not committed to the role of fairy godmothers to the mining industry and neither they, nor anybody else, can dispel the current depression which hangs over world metal prices.

Obviously, the share market will have reason to welcome a Liberal victory. But if Labor should get in again, any setback in share prices could provide buying opportunities. I say this because the excitement over Australia's constitutional crisis has tended to obscure the fact that in its final weeks in office the Labor Party had begun to see the error of its ways as far as the mining industry is concerned.

Controls had been eased on the inflow of foreign capital; some progress had been made towards the exploitation and export of the country's big uranium finds; while a more realistic attitude generally was reflected in the appointment of the liberal-minded Senator Wriedt as Minister for Minerals and Energy following the dismissal of the hard-line Mr. R. F. X. Connor. In all, there is cause for mild rejoicing.

Copper setback

On the copper front, South Africa's Messina (Transvaal) group has suffered from a combination of falling metal prices, lower sales and the inevitable rise in costs during the year to September 30. In line with the recent forecast it is thus cutting the final dividend to 20 cents (11.15p) to make a total of 35 cents (19.5p) compared with 60 cents in the buoyant 1973-74 year.

Latest net profits come out at R7.73m. (£4.3m.) against R19.86m. and would have been lower if it were not for increased income from the group's industrial interests. Notable among these is the 72.53 per cent. holding in the South African Datsun motor concern and Messina is in process of making an offer for the minority interest.

Meanwhile, one cannot see any near-term improvement in the mining activities although they should at least be keeping out of the red which is more than can be said for some other base-metal operations in these difficult days. Perhaps the chairman, Commander H. F. P. Grenfell, will be able to give shareholders some guidance in the annual report which is due on about December 12.

Particularly hard hit is the Zambian copper mining industry which has to contend with severe transport difficulties following the loss of the rail route to the port of Lobito as a result of the civil war in Angola. **Roan Consolidated Mines**, in which the Zambian Government has a 51 per cent. shareholding, is working at a loss and its chairman, Mr. A. J. Soko, says bluntly that there is no immediate prospect of a resumption of dividends.

Persevering

He adds that capital spending plans have been curtailed and the company is still "in serious financial difficulties." While important new loans have been negotiated "it is clear that more finance will be required." There is light at the end of the tunnel in the hoped for recovery in the world economic situation but it would be "over-optimistic to expect more than a modest improvement" in the Zambian mining industry's profitability "for some time."

In Ireland the Canadian **Northgate Exploration** has reported further encouraging results from the probing of the ground 1¼ miles to the north-west of **Tara Exploration's** exciting, but still unexploited, zinc deposit at Navan. Northgate's drilling so far indicates a possible modest pay tonnage of 1.6m. tons averaging a reasonable 6.72 per cent. combined lead and zinc.

Encouraging drill results have been obtained at Northgate's established base-metal mine at Tynagh in Ireland. But this and other exploration work has contributed towards Northgate's reduced 9-month earnings of $0.8m. (£0.38m.), or 12 cents (5.8p) per share, compared with 67 cents for the same period of last year. Because of the need to conserve funds no additional dividend will be declared for 1975; the interim was 25 cents (12p).

Also living with lower metal prices are the Eastern tin producers which sell their production on the basis of the Penang market prices which can vary from those quoted in sterling on the London Metal Exchange. The **London Tin** group's **Tongkah Harbour** has reported that earnings for the year to June 30 have dropped to $M1.3m. (£0.25m.) from $M2.1m.

During the past year Tongkah received a higher tin price of $M1,029 per picul, but the benefits of this were outweighed by lower production coupled with an exchange loss arising from the conversion of the revenue in Thailand where the company operates, into that of Malaysia where it is registered.

The year's dividend total is reduced to 23 per cent. (4.16p) from 30 per cent. and with the Penang tin price now down to M960 the current year's outlook must be viewed with caution.

Murchison's find

On a more cheerful note, South Africa's antimony-producing **Consolidated Murchison** has achieved — in share market terms—something of a triumph of hope over experience. Despite falling profits, which at the 9-month stage were down to R3.56m. (£1.98m.) compared with R6.64m. in the same period of 1974, the price of the shares has remained buoyant.

This week it has hit a year's high of 810p—the 1974 best was 520p—following a cautiously worded official statement on the company's exploration of its Gravelotte area. Johannesburg opinion is that Murchison has found a significant new orebody which will considerably extend the existing mining life prospects, currently put at a minimum of eight years.

Round-up

A little much-needed encouragement has come for the nickel miners from Mr. J. E. Carter, president of the world's leading producer, **International Nickel**. He reckons that next year will mark the beginning of a recovery in demand for nickel in line with the metal's normal cyclical pattern.

* * *

Australia's **Geometals** has taken a stake in the potentially exciting Forrestania nickel area of Western Australia. The company has a one-quarter interest in 11 claims, the rest being held by **Amax** which is also in a joint exploration deal immediately to the south with **Endeavour Oil**. One drill on the Geometals ground has found an encouraging nickel value of just on 1 per cent.

* * *

Despite the expectation of lower earnings in the year to next June, the base-metal producing **South West Africa Company** hopes to maintain its dividend. The 1974-75 payment was increased from 16.75p to 17.875p out of earnings of £0.76m.

* * *

South Africa continues to sell gold from her reserves. In the week ended November 7, the Republic sold nearly 1 tonne of gold from reserves in addition to a notional weekly production of 14¼ tonnes.

* * *

The **Rio Tinto-Zinc** group's **Hamersley Holdings** iron ore operation in Western Australia has raised $30m. (£14.5m.) with a private placement of 15-year 11 per cent. debentures with a group of U.S. institutions. The money will be used on improving existing plant and to increase working capital.

TV Radio

† Indicates programme in black and white.

BBC 1

8.35 a.m. Fingerbobs. 9.10 Star Trek. 9.35 Why Don't You—join us in collecting ideas? 10.00 Model World. 10.25 On the Move. 10.35 The Virginian. 11.45 Camp Runamuck.
12.15 p.m. Grandstand: Football Focus (12.20); Washington international horse race (12.45); Racing from Ascot (12.50, 1.25, 1.55, 2.25); Boxing (1.10, 2.15); Motor Racing from Thruxton (1.40, 2.40, 4.20); Rugby League from Headingley (3.00, 3.50); International Squash from Wembley (3.30); 4.40 Final Score.
5.05 The Basil Brush Show.
5.30 News.
5.40 Sport/Regional News.
5.45 Dr. Who.
6.10 Bruce Forsyth and the Generation Game.
7.05 Saturday Night at the Movies: "Seven Seas To Calais," starring Rod Taylor.
8.45 The Dick Emery Show.
9.15 Kojak.
10.05 News.
10.15 Match of the Day.
11.15 Parkinson: Michael Parkinson and his guests Dame Edith Evans and Rt. Hon. Edward Heath, MP.

All Regions as BBC 1 except at the following times:—

Wales—9.35-10.00 a.m. Teliffant. 12.15 a.m. News and Weather for Wales.

Scotland—4.55-5.05 p.m. Scoreboard. 5.40-5.45 Scoreboard. 10.15-10.45 Sportscene. 10.45-11.15 There Was a Girl. 12.15 a.m. Scottish News Summary.

Northern Ireland—3.00-3.50 p.m. Rugby (Ulster v. Australians). 4.55-5.05 Scoreboard. 5.40-5.45 Northern Ireland News. 12.15 a.m. Northern Ireland News Headlines.

BBC 2

2.50 p.m. The Saturday Western: "Comanche Territory," starring Maureen O'Hara.
4.10 Chico and the Man.
4.35 Play Away.
5.05 The Money Programme.
5.30 Westminster.
6.20 Open Door.
7.00 Rugby Special.
7.50 News and Sport.
8.05 That Monday Morning Feeling.
8.35 The Spire.
8.45 2nd House.
10.00 Second City Firsts.
10.30 The First Picture Show.
11.00 Open Door.
11.40 News on 2.
†11.45 Midnight Movie: "Return From The Ashes," starring Maximilian Schell.

LONDON

9.00 a.m. Checkmate. 9.25 A Present from the Past. 9.50 The Beachcombers. 10.20 The Jetsons. 10.50 Junior Police Five. 11.05 The Adventures of Black Beauty. 11.35 Planet of the Apes.
12.30 p.m. World of Sport: 12.35 On the Ball; 12.50 International Sports Special (part 1): Daily Express Sportsman of the Year Lunch; 1.10 News from ITN; 1.20 The ITV Seven —1.30, 2.00, 2.30 and 3.00 from Wetherby; 1.45, 2.15 and 2.45 from Warwick; 3.10 International Sports Special (part 2): Tennis—Dewar Cup; 3.50 Half-time Round-up; 4.00 The Dewar Cup; 4.50 Results Service.
5.10 News.
5.20 Supersonic.
5.50 Space 1999.
6.45 Don't Drink the Water.
7.15 Sale of the Century.
7.45 Saturday Mystery Movie: McCloud.
9.30 Within These Walls.
10.30 News.
10.45 No—Honestly.
11.15 "Daughter Of The Mind," starring Ray Milland and Gene Tierney.
12.35 a.m. Adoption.

All ITV Regions as London except at the following times:—

ANGLIA

9.50 a.m. Paulus. 10.00 Hammy Hamster's Adventures on the Riverbank. 10.15 Spiderman. 10.40 Adventures in Rainbow Country. 11.10 Clapperboard. 11.35 Tarzan. 5.20 p.m. The Flintstones. 6.45 Sale of the Century. 7.15 All the Fun of the Fair. 8.15 Rhubarb. 9.00 Don't Drink the Water. 10.45 Aquarius. 11.30 Russell Harty. 12.20 a.m. At the End of the Day.

ATV MIDLANDS

9.15 a.m. Wake up to Yoga. 9.40 Cover to Cover. 10.10 Tiswas. 5.20 p.m. Sinbad Junior Cartoons. 5.30 Bearcats. 6.30 Sale of the Century. 7.00 Six Million Dollar Man. 8.00 Within These Walls. 9.00 Who Do You Do? 9.30 Police Woman. 10.45 Aquarius. 11.30 Barnaby Jones.

BORDER

9.15 a.m. Wake Up to Yoga. 9.40 A Present from the Past. 10.10 Dodo the Space Kid. 10.15 Manfred. 10.30 Arthur of the Britons. 11.00 The Amazing Chan and the Chan Clan. †5.20 p.m. Border Sports Results. 5.25 The Saturday Western: "Blood on the Arrow" starring Dale Robertson and Martha Hyer. 7.00 Don't Drink the Water. 7.30 Sale of the Century. 8.00 Space 1999. 9.00 Within These Walls. 10.00 Two's Company. 10.45 Aquarius. 11.30 The Lawyers.

CHANNEL

5.20 p.m. Space 1999. 6.15 Don't Drink the Water. 6.45 Sale of the Century. 7.15 The Saturday Film: "The Saboteur: Code Name Morituri" 10.45 Aquarius. 11.30 The Evil Touch.

GRAMPIAN

9.00 Woody Woodpecker. 9.30 Born Free. 10.15 Junior Movie. 5.20 p.m. Cartoon Time, followed by Highland League Results. 5.35 Riptide. 6.30 Sale of the Century. †7.00 Saturday Movie: "Reach for the Sky," starring Kenneth More. 10.45 Aquarius. 11.30 Griff. 12.25 a.m. Evening Prayers.

GRANADA

9.15 a.m. Checkmate. 9.40 A Present from the Past. 10.05 House of Treasures. 10.10 Saturday Matinee: "The Story of Mankind," starring Ronald Colman. 12.00 Look Alive. 5.20 p.m. High Adventure: "Apache Rifles," starring Audie Murphy. 7.00 Don't Drink the Water. 7.30 Sale of the Century. 8.00 Within These Walls. 9.00 Mystery Movie: McCloud. 10.25 Cartoon. 10.45 Aquarius. 11.30 Shannon's Mob. †12.25 a.m. Time to Remember. 12.55 Theatre of Stars.

HTV

9.05 a.m. A Present from the Past. 9.35 Wake up to Yoga. 10.00 Sesame Street. 11.00 Orbit. 11.30 Supersonic. 12.00 University Challenge. 5.20 p.m. The Saturday Comedy: "Carry On, Follow That Camel," starring Kenneth Williams and Phil Silvers. 7.00 Don't Drink the Water. 7.30 Sale of the Century. 8.00 Within These Walls. 9.00 The Saturday Movie: "Home for the Holidays," starring Walter Brennan. 10.45 Aquarius. 11.30 The Saint. HTV Cymru/Wales—As HTV General Service except: 7.30-8.00 p.m. Sion a Sian.

SCOTTISH

10.05 a.m. More Animated Objects. 10.30 Farmhouse Kitchen. †11.00 Feature Film: "The Ghost Train," starring Arthur Askey. 5.20 p.m. Professor Balthazar. 5.30 Supersonic. 6.00 Castaway. 6.30 Sale of the Century. 7.00 Barnaby Jones. 8.00 Within These Walls. 9.00 Mystery Movie: Columbo. 10.20 Cartoon. 10.45 Aquarius. 11.30 Late Call. 11.35 UFO.

SOUTHERN

9.15 a.m. Checkmate. 9.40 A Present from the Past. 10.10 Regional Weather Forecast. 10.13 Woody Woodpecker. 10.20 Supersonic. 10.50 The Lone Ranger. 11.15 Planet of the Apes. 12.10 p.m. Weekend. 12.15 Southsport. 5.20 Sylvester and Tweetie Pie. 5.25 The Magician. 6.25 Porky Pig. 6.30 Bridget Loves Bernie. 7.00 Sale of the Century. 7.30 Don't Drink the Water. 8.00 Within These Walls. †9.00 The Saturday Night Movie: "The Night Walker," starring Robert Taylor. 10.45 Police Story. 11.40 Southern News. 11.45 Bygones.

TYNE TEES

9.40 a.m. A Present from the Past. 10.10 Ski-ing with Gina. 10.35 Skippy. 11.05 The Merrie Melodies Show. 11.25 Opportunity. 5.20 p.m. Cartoon Time. 5.30 The Flintstones. 6.00 Space 1999. 7.00 Don't Drink the Water. 7.30 Sale of the Century. 8.00 "The Betrayal," starring Dick Haymes. 10.45 Aquarius. 11.30 Kung Fu. 12.25 a.m. Epilogue.

ULSTER

10.30 a.m. Jobs Around the House. 11.00 Adventures of the Seaspray. 11.30 Sesame Street. 5.05 p.m. Ulster Sports Results. 5.27 The Flintstones. 5.50 Six Million Dollar Man. 7.45 Saturday Movie: "Cry In The Wilderness" starring George Kennedy. 9.00 Within These Walls. 10.00 Rising Damp. 10.45 Aquarius. 11.30 The Adventurer.

WESTWARD

9.00 a.m. A Present from the Past. 9.25 Wake Up To Yoga. 9.50 Sesame Street. 10.50 Look and See. 10.55 Supersonic. 11.25 The Gus Honeybun Show. 11.35 Tarzan. 5.20 p.m. Space 1999. 6.15 Don't Drink The Water. 6.45 Sale of the Century. †7.15 The Saturday Film: "The Saboteur: Code Name Morituri," starring Marlon Brando. 10.45 Aquarius. 11.30 The Evil Touch. 12.00 Faith for Life.

YORKSHIRE

†9.45 a.m. Little Rascals. 10.00 Paulus the Woodgnome. 10.10 Dodo the Space Kid. 10.15 Zigzag. 10.40 Pipet and his Friends. 10.45 Baldmoney, Sneezewort, Dodder and Cloudberry. 11.00 The Amazing Chan and the Chan Clan. 5.20 p.m. Cartoon Time. 5.30 The Flintstones. 6.00 Space 1999. 7.00 Don't Drink the Water. 7.30 Sale of the Century. 8.00 "The Betrayal," starring Amanda Blake and Dick Haymes. 10.45 Aquarius. 11.30 Kung Fu.

RADIO 1 247m

(S) Stereophonic broadcast.
6.00 a.m. As Radio 2. 8.06 Ed Stewart (S) (also on VHF) with Junior Choice, including 8.45 Headline Spotters. 10.00 Rosko. 1.00 p.m. Simon and Garfunkel (S) (also on VHF). 2.00 Alan Freeman (S) (also on VHF). 5.00 Paul Gambaccini (S) (also on VHF). 6.30 In Concert (S) (also on VHF). 7.30-12.33 a.m. As Radio 2.

RADIO 2 1,500m and VHF

6.00 a.m. News Summary. 6.02 Colin Berry (S). 8.03 Racing Bulletin. 8.06 As Radio 1. 10.02 Charlie Chester (S) with your Swinging Saturday Show. 12.02 p.m. Two's Best (S). 1.02 Punch Line (1500m only) (also 202m Scotland) VHF joins Radio 1. 1.30-5.55 Sport on 2: (1500m only) (also 202m Scotland) VHF joins Radio 1: Tennis (1.30, 2.35, 4.30, 5.20) Dewar Cup Finals; Football League (1.30, 2.55, 3.25, 3.45, classified checks at 3.00 and 5.45); Racing from Ascot (1.40, 2.00, 2.30, 4.50); Brain of Sport 1975 (2.15, 2.45); 5.00 Sports Report. 6.03 Star Sound (1500m only) (also 202m Scotland) VHF joins Radio 1. 7.02 The Navy Lark (1500m only) (also 202m Scotland) VHF joins Radio 1. 7.30 Radio 2 Top Tunes (S). 8.30 Saturday Night with the BBC Radio Orchestra (S). 10.02 Europe '75 (S). 10.30 Alan Dell with Music Through Midnight (S), including 11.02 Sports Desk and 12.00 News. 12.31-12.33 a.m. News Summary.

RADIO 3 464m, Stereo & VHF

8.00 a.m. News. 8.05 Saturday Overture: Berlioz, Goldmark, Kodaly (S). 9.00 News. 9.05 Record Review (S). 10.15 BBC Scottish Symphony Orchestra: Part 1—Smetana, Kodaly (S). Short (talk by John Culshaw). 11.10 Concert: Part 2—John Mayer, Janacek (S). 12.02 p.m. Robin Ray Presents a Selection of Popular Classics (S). 12.55 News. 1.00 Foreign Press Review. 1.15 The Young Idea (S). 2.15 Man of Action: Sir Arnold Weinstock chooses records (S). 3.35 Music for the Masters (S). 5.00 Jazz Record Requests (S). 5.45 Howard Shelley piano recital: Haydn, Rachmaninov, Smetana (S). 6.35 Critics' Forum. 7.30 "The Makropoulos Case": Opera in three acts, music by Janacek—Act 1 (S). 8.10 Personal View by Lord Trend. 8.30 "The Makropoulos Case": Act 2 (S). 9.05 The Seven Deadly Sins: Part 1—Anger. 9.25 "The Makropoulos Case": Act 3 (S). 9.45 Couperin and the French Tradition (discussion). 10.30 The Virtuoso Violinist (S). 11.25 News.

RADIO 4

434m, 330m, 285m and VHF
‡ Medium Wave only

6.30 a.m. News. 6.32 Farming Today. ‡6.50 Outlook VHF Regional News. 6.55 Weather; Programme News. 7.00 News. 7.10 On Your Farm. 7.40 Today's Papers. 7.45 Outlook. 7.50 Today, including at ‡7.50 Keep Fit for All the Family. VHF Regional News. 7.55 Weather, programme news. 8.00 News and more of Today with 8.30 Sportsdesk and 8.40 "Today's Papers." 9.00 News. 9.05 From Our Own Correspondent. 9.30 The Week in Westminster. 10.00 News. 10.02 The Weekly World. 10.15 Daily Service. 10.30 Pick of the Week. 11.30 Science Now. 12.00 News. 12.02 p.m. Robin Ray (S) as Radio 3. ‡12.55 Weather, programme news. VHF (except London and SE) Regional News. 1.00 News. 1.15 Any Questions? 2.00 Weekend. 3.00 News. 3.05 Thirty-minute Theatre. 3.35 Music of the Masters (S) as Radio 3. 5.00 PM Reports. ‡5.55 Weather and programme news. VHF (except London and SE) Regional News. 6.00 News. 6.15 Stop the Week with Robert Robinson. 7.00 News. 7.02 Desert Island Discs. 7.30 These You Have Loved (S). 8.30 Saturday-Night Theatre (S). 9.58 Weather. 10.00 News. 10.15 A Word in Edgeways. 11.00 Lighten Our Darkness. 11.15 News.

BBC Radio London

206m and 94.9 VHF

6.00 a.m. As Radio 2. 7.32 Good Fishing. 8.00 News. 8.15 The London Gardener. 8.30 Saturday Scene. 10.30 Sportsline. 11.30 It's Saturday. 2.00 p.m. Close Up. 2.30 London Sport and Music. 5.00 As Radio 2. 6.00 News. 6.03-12.33 a.m. As Radio 2.

London Broadcasting

261m and 97.3 VHF

7.00 a.m. Music in Stereo. 8.00 "AM"—news, traffic and sport. 10.00 Jellybone. 12.00 London's Week. 1.00 p.m. Newswatch. 1.30 Sportswatch. 6.00 Newswatch. 6.30 London Profile. 7.00 Artsweek. 9.00 Adrian Love—LBC's Saturday night show. 1.00-6.00 a.m. Nightwatch—news every half-hour.

Capital Radio

194m and 95.8 VHF

7.00 a.m. Kerrysground. 9.00 Capital Countdown. 12.00 Kenny Everett with a week's madness concentrated into a two-hour musical maelstrom. 2.00 p.m. Person to Person. 4.00 London Link. 6.00 Soul Spectrum. 10.00 Tommy Vance with one hour of reggae. 11.00 Tommy Vance with American Pie. 2.00 a.m. Night

TV Top 20

Week ended November 9

			Homes viewing (m.)
1	The Generation Game	BBC	8.40
2	The Sweeney	Thms.	8.25
3	Crossroads (Thursday)	ATV	8.05
4	Crossroads (Tuesday)	ATV	7.75
5	Opportunity Knocks	Thms.	7.70
6	Crossroads (Friday)	ATV	7.65
7	Coronation Street (Monday)	Gran.	7.55
	Upstairs Downstairs	LWT	7.55
9	Ken Dodd's World of Laughter	BBC	7.50
10	Crossroads (Wednesday)	ATV	7.35
11	Get Some In	Thms.	7.30
12	The Cuckoo Waltz	Gran.	7.10
13	Coronation Street (Wednesday)	Gran.	6.80
14	Carry on Laughing	ATV	6.75
15	Porridge	BBC	6.70
	Beryl's Lot	Yorks.	6.70
17	Sale of the Century	Angl.	6.50
18	Doctor Who	BBC	6.45
19	The Dick Emery Show	BBC	6.35
20	News at Ten (Monday)	ITN	6.30
	Tommy Cooper	Thms.	6.30

Figures compiled by Audits of Great Britain for Joint Industry Committee for Television Advertising Research.

Your savings and investments

Views on Australia

BY CHRISTOPHER HILL

R SEVERAL years in the 0s, Australia was a good ce to be for the U.K. estor. But in this decade the ension of the dollar premium y to Australian stocks and end of the mining boom has egated Australia to the status a "fringe" market.

m occasion this year, I e pointed to the recovery ential in the Australian rket if the political situation nged and this week the nge occurred when Mr. itlam was "dumped" by the vernor-General. But the in- tment community in the U.K. not exactly enamoured h the manner of his depar- e and there is still a range opinion about the future of Australian market—from pessimists who think that re is a fair chance that Whit- might win the mid- ember elections to the opti- ts who believe that Whitlam find it difficult to sustain ferous support over the next weeks and that Australia turned the corner.

ne important point about tralia so far as the indi- ual investor is concerned is it is not easy, because of investment currency pre- m, to invest on a "loner" s. There are also compara- ly few funds which specialise the Australian market, the est and longest established g the Barclays Unicorn tralia which has topped the ormance tables several s—though not yet under its ent management.

ut at the moment Barclays basically optimistic about tralia and the fund manager ts to the fact that over the 12 months the fund has eased its unit value by 35 cent. against a rise of just 21 per cent. in the Sydney Ordinary Index. The com- ative figures over the past th are plus 9.4 per cent. nst a gain of 1.3 per cent. he Index. This has been all ugh the premium though management team is in the ess of organising loans in tralian dollars.

any case, the fund is ost fully invested (8 per liquid) and the concentra- has been on "energy" ks such as coal, uranium, and gas. There are large lings in well-known names as Pan Continental and h. The feeling at Barclays at the Liberals will achieve ajority in December and that tical factors will not be a nanent damper on the ket.

he other major Australia ls are perhaps a shade less usiastic. M and G Australa- and General for example equally fully invested but seems to hinge on the fact the investment manager ons that it is risky to be liquid in a market as tile as Australia (where it difficult to get back again the market starts to move). view is that Australia ht well have a split vote on election with continuing bles and the investment cy is to concentrate on ice companies such as ks, HP, breweries, etc. re is a basic distrust of ing stocks. However, the d has done well over one r with a rise of over 28 per t.

ascot Australian Compound w managed by Arbuthnot urities) has also been putting money into the Australian market but is still proceeding with caution because of the likelihood of further industrial disruption. As for Slater Walker—which took over the Jessel Britannia Australian fund —the managers there are basically bearish of Australia and (since the name change of the fund of SW Far Eastern) have been reducing the Australian content of the fund to its present relatively low point.

Where investment trusts are concerned the field is even more limited since the two specialists in the field, Australian International (Schroder Wagg) and British Australian (Drayton Montagu) are narrow markets and the others such as CLRP and Kingside do not have a sufficient weighting in Australia to make them suitable vehicles for an investor with specialist intent.

● RETIREMENT

An expanding industry

A FEATURE of the past year has been the number of new publications which have emerged from the clearing banks as they strive to improve their communication lines with the general public. The latest is a book on "How to plan your retirement" from the Midland Bank Trust Company (published in association with Woodhead Faulkner or vice versa) which goes into not only the financial intricacies of retirement but also the social implications.

At any rate the Midland Bank reckons that retirement is a "growth" industry with 9m. people in Britain of retirement age and a third of the population over 45 and is determined to carve a niche in the market via the trust company. The financial chapter of the book goes into questions such as whether the individual due for retirement should commute part of his pension and how he can increase his income, concluding that it depends on individual circumstances. Commuting one's pension, for example, is often advantageous because whereas a widow can inherit the whole of any commuted sum which one takes, she may only receive part of her late husband's pension.

But it is curious that although the banks are keen on expanding their publications in the advisory field they are chary about using the bank branches as promotional outlets. This seems to have its roots in their desire to avoid entering non-banking areas in competition with existing interests. But I would have thought that the best point of sale for a 95p book was the bank counter and at least such booklets might be displayed in competition with the plethora of directly in-house material.

Revival in component shares

BY TERRY WILKINSON

THE STOCK market's disenchantment with anything on wheels has been amply borne out by the recent spate of profit collapses among the motor manufacturers. Paradoxically, this feeling has not been extended to the suppliers of components and, the shares of these companies have enjoyed a new lease of life in recent months. The good results from Lucas and Birmid Qualcast—the one a dominant supplier of electrical equipment, the other the leading castings producer outside the car industry itself—have added some substance to these share price movements.

The reasons why a falling trend in U.K. car production, which was running some 17 per cent. lower in the first 10 months of this year, has had no immediate backlash on component suppliers profits can be summarised under three main headings.

The first is the relatively steady performance of the replacement parts market: then there is the extent to which companies have developed overseas interest, either through exports, local manufacture or licensing arrangements; and finally the development of activities outside the field of passenger car production has proved to be a defence.

On the replacement front, it is worth bearing in mind that, apart from the original equipment (OE) demand generated by new car sales in the U.K. (estimated at 1.1-1.2m. cars this year) there is a steady, and more profitable, market for replacement parts for the existing U.K. car "population" of some 14½m.

The compensating effects of replacement demand, on a European scale, lay behind Automotive Products' half-year pre-tax profits increase from £1.52m. to £1.60m. (the group's sales are fairly evenly divided between the two markets). This can vary enormously between companies, with Wilmot Breeden and Birmid Qualcast having an overwhelming commitment to the OE motor-car market (although the reverse is true in Birmid's diesel components side): at the other extreme Harmo Industries, which recently reported a 47 per cent. increase in pre-tax profits, is wedded to the replacement trade. The company recently announced a bid approach.

To a large extent, the components industry has cushioned itself against the vagaries of the U.K. motor industry by expanding overseas. In the first nine months of this year the components sector, the largest single export revenue earner within the motor industry, increased its exports by 37 per cent. to £828m. This performance helps to offset the external deficit on car trade, but within this deficit it is worth remembering that European imported cars contain a growing proportion of U.K.-made components—in the case of Volvo it is between 20-25 per cent.

Thus, Associated Engineering, with 40 per cent. of its sales accounted for by exports and overseas subsidiaries, together with Wilmot Breeden and the BBA group are firmly established in Europe. Associated Engineering and Smiths Industries also have significant interests in South Africa.

Continental Europe provided a spur to Lucas' profits rise from £17.6m. to £32.3m. this week; sales rose by 75 per cent. to account for nearly a fifth of group sales and with the improving markets in France and Germany under its belt, the company sees further good volume growth this year.

An example of widely diversified interests is Smiths Industries which this week announced an 11 per cent. rise in pre-tax profits to £12.5m. This performance revolved around a stable performance from its distribution interests (some 40 per cent. of trading profits). But elsewhere groups like Armstrong Equipment have strengthened their position outside suspension and shock absorbers by integrating backwards into tube manufacture and forwards into wholesaling, where 60 outlets have been introduced in two years. In addition, profits on the production of industrial fasteners are growing rapidly and may account for up to a third of profits. At 61p, however, the yield is only 4.3 per cent.

Production of diesel engine components has continued to provide momentum to Lucas and Associated Engineering. The market is looking for £13m. or so from Associated Engineering this year (compared with £9.2m.) for earnings per share of about 9½p on capital enlarged by the recent £7.86m. rights issue. At 78p the yield is 7.2 per cent. BBA stands to benefit from replacement demand for its friction materials, but its industrial side accounts for over one half of profits and is prospering from conveyor belting demand, while overseas profits amount to 64 per cent. of the total. Profits could reach £5½m. this year for a prospective p/e of 8.6 at 62p: the current yield is 6.1 per cent.

Wilmot Breeden is more of a speculation as, following cutbacks on its original equipment side and a return to break-even in its electronics division (which lost nearly £½m. last year), pre-tax profits could pass the £2m. level for earnings of 4p per share. At 33p the yield is 6.9 per cent.

Jonas Woodhead, although suffering from a fall-off in commercial vehicle demand, looks the cheapest of all on an historic p/e of 4.2 at 89p where the yield is 9.8 per cent., covered nearly four times. Profits will be lower this half but the last major downturn in 1972 amounted to only a fifth.

Rating Christmas cards

BY TERRY GARRETT

IT SOUNDS as if nearly everyone is cutting back on Christmas cards this year. Certainly the postal rate increases came at a bad time psychologically, but it is questionable whether the worst fears of a drop in sales are justified. Sounding-out the manufacturers it would seem not, though they must be feeling apprehensive.

The important factor is how many of the public will stick to their intentions when the season gets under way. Undoubtedly some volume will be lost, but cards have become so entrenched in Christmas tradition that a serious reduction in sales is not envisaged, if only because of the growing social acceptance of hand delivered cards, putting the saving on postage rather than cards.

It would be wrong for the industry to be complacent. Yet what it loses in volume it should be able to recover in value, especially as the rest of the seasonal and everyday cards (accounting for 45 per cent. of those sent in 1974) are less price sensitive. Share prices, meanwhile, have taken the worst-view judging by the three quoted fine art printers, whose price performances have been disappointing.

Fine Art Developments currently has the best performance at 95 per cent. above its low (though that is hardly impressive against the FT 500 index which is 160 per cent. up on the same basis). FA has the most consistent profits record with unbroken growth for a decade, and with a large slice of mail order cards, where prices are fixed much later than in the retail market (usually 12 months in advance)

Both W. N. Sharpe and Wilson Brothers are lagging at around a quarter above their respective lows. In Wilson's case (where FA has a 20 per cent. stake) the trading range has been narrow, with a 17½p high only 5½p above the low, but sentiment has been against Wilson as its earlier attempts at diversification into property have turned sour.

Sharpe, on the other hand, has come back a third from its high of 62p as profits have been under pressure and the interim statement held a cautious tone. Caught out by rising material costs on forward pricing on its up-market range, Sharpe may be looking better now as costs stabilise. So given a good Christmas, Sharpe's price could be in line to make up lost ground, while the whole sector is overdue for re-rating.

Rescue news

BY ERIC SHORT

A DISTURBING feature of our times is the frequency with which we seem to be discussing the latest position of life companies in difficulties. This week there has been further news concerning the latest trouble-spot—Lifeguard Assurance—and Fidelity Life.

The latest position of Lifeguard is that an independent actuary has called in the leading consulting firm of Bacon and Woodrow—to assess the overall situation. Presumably the actuary concerned will advise on the amount of additional capital needed to be injected to keep Lifeguard afloat.

It is hoped that Bacon and Woodrow's report will be available shortly, in view of the uncertainty surrounding the position. The original two-week specification given by Lifeguard, however, looks like a very tight schedule to be followed. Meanwhile, what options are available to the company?

If additional capital cannot be raised—and this possibility is remote considering the Lloyd's broking connections—liquidation is very much on the cards. But assuming that the necessary capital is forthcoming, and other major Lloyd's brokers have been approached to share in the fund-raising exercise, two courses are possible. The first is to close the life fund and run the business down naturally (possibly under the wing of an established life company). The other is to sell Lifeguard as a going concern to another life company.

Lifeguard policyholders will be anxious to have the situation resolved as soon as possible. They will be reassured by the news that the first priority of any scheme for the future will be to ensure that policyholders are protected from loss. The Policyholders Protection Act became law this week, so there is now legal protection of 90 per cent. of the value of policies.

There is good news this week for Fidelity Life Policyholders. It was announced at the Court hearing that agreement had been reached in principle on a proposal to inject a substantial amount of additional capital into the company. The parent company, Fidelity Corporation of American, is putting up the extra funds, but obviously time is needed to put the agreement into firm proposals.

The judge has adjourned the hearing for a further three weeks and stated that he expected to have before him on resumption detailed evidence of this scheme and its effect on the company's solvency.

It is likely that the petition by the Secretary of State for the liquidation of Fidelity will be withdrawn and that it will then be business as usual. It is to be hoped that the management will have learnt the lessons which led to the petition in the first place. The regulations from the Department of Trade on life company investments will put an end to massive single investments.

Finance and the family

Scottish green belt

BY OUR LEGAL STAFF

I own some land in a "green belt" area in Scotland and have been told that I would probably be refused the necessary consents to develop it, but that if they were granted, they would be coupled with a proviso requiring that if the property were sold, it would have to be to an "agricultural worker." Does the Council have power to impose such conditions? What action do you suggest I take?

Planning Law in Scotland is now consolidated in the Town and Country Planning (Scotland) Act 1972.

It is a general policy to restrict green belt development in the way you have been advised by your local planning authority and it will be unlikely that permission to carry out major development within a green belt would be granted.

It is unclear exactly what development you envisage but it is competent if not usual for a planning authority to grant permission subject to conditions you have mentioned, or at least restricting a proposed change of use or development to the existing proprietor. In view of what you have been told it would seem politic to apply for the development which you propose, as if this were granted subject to a restriction, application could always be made at a future date for a waiver of restriction which might then be favourably considered due to a change in local environment.

Declaration of trust

I am told that a person can avoid the legal expense, stamp duty, etc., of transferring property to members of his family (to anybody) by making some declaration that he has done so. (The stamp duty, etc., would presumably be payable in due course on death or otherwise.) Is this so and can you give me some information about it? Is this similar to or the same as the "oral declaration of trust" referred to in one of your replies on page 4 of the issue of October 4?

We think it is likely that what you have in mind is an oral declaration of trust such as has recently been discussed in these columns. If so, there is no requirement that the beneficiary should be a member of the settlor's family. Such declarations are not now very widely used, as a gift of property would not normally bear stamp duty, except where shares are transferred. Moreover the incidence of capital transfer tax would still be the same. If you wish to make an oral declaration of trust it should be done before a witness who can then make a statutory declaration stating that he was present when you declared the trust, and what the terms of the oral declaration were.

Account of an estate

My wife was mentioned in a will of which her sister was executor. It seems to me she has not received her due, but she is unwilling to challenge her sister directly. Is there any way to find out how the distribution of assets has taken place?

A request for an account of the estate of the testator must be made by the beneficiary herself. Your wisest course would be to persuade your wife to instruct a solicitor to pursue a claim on her behalf to any money to which she may be entitled out of the estate.

Re-siting garden shed

I am appealing against the refusal of the Council to erect a garden shed. There is a shed already in the garden. Can I remove it without planning permission? What is the maximum shed size I can erect without permission? If I erected a shed of this size and later erected a smaller separate shed against it, would I be contravening planning regulations?

You would not be entitled to resite the existing shed without planning permission. If the existing shed was part of the original curtilage of the house and if there has been no extension or an addition to the original building you can add up to one-tenth of the cubic content of the original dwelling-house up to a maximum of 115 cubic metres. You cannot add more than the amount indicated by taking two bites at the cherry—the allowance is cumulative.

Development land tax

I bought some land in 1962 and this year, at last, after all sorts of ups and downs, and when the bottom has dropped out of the market, I have obtained permission to develop it. Would legislation passed since 1973 still further penalise me tax-wise? As the widow of a builder, I have been connected with building most of my life. Am I exempt as a builder from development tax of 80 per cent? What sort of tax, if any, shall I have to pay? Owing to the interminable delays of the local authority, I have suffered heavy loss. Have I any redress?

As far as taxation is concerned, things are probably not as bad as you fear. The proposal to introduce an 80 per cent. development land tax has not yet progressed further than the publication in August of a draft of a bill to be introduced in the next session of Parliament. We have been officially assured that the tax will not be imposed during 1975, and it seems unlikely to start before next April. Although there will be retroactive provisions to negative avoidance measures, they are unlikely to penalise you and others in your position.

The charge to tax on development gains under current legislation is limited to basic and higher rates of income tax, and does not involve payment of the 15 per cent. investment income surcharge. Last April, the Inland Revenue issued a helpful free boklet on the current law relating to development gains from land etc. (booklet CGT10): you should be able to get a copy from your local tax inspector's office.

On the question of possible injustice resulting from the action (or inaction) of the local planning authorities, there is a helpful free booklet entitled "Your Local Ombudsman," which should be obtainable from any local authority, citizen's advice bureau, etc., or which can be obtained direct from the Commission for Local Administration in England, 21, Queen Anne's Gate, London SW1H 9BU. However, the Local Commissioner's jurisdiction is limited to events after March 31, 1974, and he will generally expect a complaint to be lodged (through a member of the local authority concerned) within a year of the events complained of. He cannot question the merits of a planning decision taken without maladministration, but he may investigate the way in which a planning decision was taken, if for example there is a prima facie evidence of unjustified delay, inaction based on malice or bias, or merely incompetence.

Not premium worthy

I am shortly going to Germany to take up employment for a period of about two years and I will be paid in DM. My husband is in the armed forces and will of course still be liable to U.K. tax and will be sending money to the U.K. to pay our mortgage and other commitments. What then will be the position in regard to the currency premium if I buy foreign securities out of my Deutsch Mark salary or buy them in his name and then sell them only after our return to the U.K.?

Securities acquired by a U.K. resident employed abroad from overseas earnings are not regarded as premium-worthy on the resident's return to the U.K. This would apply both to you and your husband. If the term of employment abroad is less than three years, there would be an indefinite restriction on sale after return to the U.K. which would require specific Bank of England permission to be given for the securities to be disposed of; this would normally be given only for sale for foreign currency to be sold for sterling at the official market rate—that is, without premium. If the term of employment abroad is three years or more, these restictions would apply only for two years after the owner's return to the U.K.

A housing association

I am a member of a syndicate which has it in mind to obtain a country house for multiple occupation by ourselves. We are considering forming a housing association to purchase the freehold. Is it possible within the provisions of the Housing Act 1974 to sell the lease of each unit to the occupants, or does the Act require the units to be rented? If it is not possible to sell the leases as we wish would it be best to form a limited company to purchase the freehold?

If you form a Housing Association or Housing Society you will be bound to observe the model Rules prescribed. This would normally preclude the sale of leases at a ground rent. For full information you should apply to the Housing Corporation at Sloane Square House, London, S.W.1. You may find it preferable to set up a company limited by guarantee to carry out the purchase, development and eventual sale of leases of the property, the company retaining the freehold reversion and the receipt of the ground rents.

Safe building societies

Can you please advise whether a building society paying higher rates provides the same standard of security as the major societies?

We do not think the size, or the rates paid is of much importance. If the society is a member of the Building Societies Association, then it will be as safe as any member of the Association.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquires will be answered by post as soon as possible.

Insurance

Read your car policy

BY JOHN PHILIP

IN THE intricacies of our road traffic laws there are many pitfalls for the unwary, particularly in the rules which deal with compulsory insurance. By and large these rules place positive legal obligations on the individual motorist, rather than on his insurers.

So, for example, the motorist who makes uninsured use of a motor vehicle on a road is committing an offence punishable in the magistrates' courts, and it is no defence whatever for him to assert that this was because his insurers had failed to deliver to him the statutory certificate of motor insurance which the law obliges him to have before he uses a motor vehicle on a road.

Irrelevant

The reason for insurers' failure is equally irrelevant, and insurers cannot be prosecuted and punished in the magistrates' courts for their failure.

Thus the motorist who has a temporary certificate, say for 30 days, must watch carefully the date of its expiry and himself make certain that he gets either another certificate to follow on immediately or perhaps a full annual certificate which runs from the starting date of his temporary certificate.

This statutory certificate is the all important document. It is not just evidence of the existence of a particular motor insurance policy, but in law the sine qua non: without the delivery of the statutory certificate, from the police point of view and for the purposes of our compulsory insurance laws, it is irrelevant that the motorist has a current motor insurance policy and can produce it.

Just as it is an offence to drive without insurance, it is equally an offence for the motorist to cause or permit anyone else to use his motor vehicle on a road without insurance. So that if the motorist has arranged with his insurers that they provide cover for only himself, or for only himself and his wife, then he cannot lend his car to someone else without making certain that the temporary user has his own insurance.

For if he lends and that temporary user has not his own cover (which normally includes the driving of a car he does not own) then both can be prosecuted for insurance offences—the owner for permitting uninsured use, the user for actually making uninsured use.

Insurers restrict the cover they provide by spelling out both in policy and in statutory certificate who may drive and have their protection—not only for example by naming the motorist and/or his wife, but also in other ways.

Most modern certificates insuring all other drivers do not without anything more provide cover for "any person driving with the policyholder's permission"; depending on the words they employ, insurers for example may require that "the person driving holds a licence to drive the vehicle or has held and is not disqualified for holding or obtaining such a licence."

Leaving aside the question whether the word "licence" means a full licence, a provisional licence, a British licence, or a licence issued abroad to a foreign national who is a temporary visitor to Britain, the wording I have quoted is both clear and peremptory: the permitted driver has to have a licence, or if he has not got one that is current, he must be a previous licence holder who on application can get one straightaway.

At risk

With this kind of certificate the motorist who permits an unlicensed and unlicensable driver to use his car is not only putting that driver in peril of being charged with driving without insurance, in addition to being charged with driving without a licence: he is again putting himself in peril of prosecution and conviction.

A few weeks ago there came before the Divisional Court the case of Baugh v. Crago which was reported in The Times for October 7 and is shortly noted in the October edition of "Current Law."

The Divisional Court deals with appeals from Magistrates Courts and, where necessary, attempts to clarify grey areas of the criminal law—for example where there are conflicting judicial precedents, or a statutory provision that needs explanation.

In Baugh v. Crago the motorist had been charged with permitting the uninsured use of a motor vehicle on a road contrary to s. 143 of the Road Traffic Act 1972; he had told the police and the magistrates that he believed that his permitted driver held a driving licence—but in fact, as you will have guessed, the driver was unlicensed. The Divisional Court ruled that he was properly convicted of permitting uninsured use—his mistaken belief that the driver was licensed was no defence.

This ruling, it seems, must apply whatever the reason for the motorist's mistake, whether this stems from his own ignorance of what the various kinds of licence look like and therefore of the nature and quality of the document shown him, from his failure to see any document or even from his being positively misled by the driver producing a false licence. But, said the Lord Chief Justice, when the motorist positively stipulates that the driver must be licensed, and so insured, before he drives the vehicle, then the situation is different — the stipulation the motorist has made is sufficient to absolve him from the charge of causing or permitting.

Sometimes insurers do set licence provisos that depend for their application on the policy holder's knowledge, and in those cases it is arguable that the motorist who makes no inquiry whatever may be able to rely on his ignorance to bring his policy into operation to protect an unlicensed driver. Everything will depend on the words used.

Compensation

The motorist who makes or permits uninsured use of his car does so, of course, not only in peril of the criminal law. He runs the real risk that if an accident occurs he will have to dig deep into his own pocket to find the cash to compensate the accident victim. But you may ask what about the Motor Insurers' Bureau? The answer is that the MIB's job is to ensure that that victim, injured by the uninsured motorist, is compensated, not that the uninsured motorist is protected. It is his primary liability to pay due compensation and only if he cannot does the MIB pay on his behalf.

Reflections on Sandilands

By JOHN CHOWN, Taxation Correspondent

THE LONG awaited Sandilands Report on inflation accounting was published on September 4. Last week there were two occasions to discuss this. First Mr. Francis Sandilands was guest of honour at a discussion dinner organised by the Institute for Fiscal Studies, and on the two days following there was a more detailed Conference organised by the Financial Times in association with the Institute of Chartered Accountants.

The Sandilands recommendations will result in companies publishing a more realistic figure for real profits. The "investment analysis" implications have been covered in detail by the major stockbroking firms, notably by Martin Gibbs of Phillips and Drew, who spoke at the Conference. As he showed, the market already partly discounts the likely changes in presentation.

After all, the intelligent investor has known about inflation for years, and took it into his calculations long before the accountants admitted that it might just possibly distort their traditional concept of a "true and fair view." I am more concerned with the ways in which the Sandilands recomendations could affect the real, rather than the conventionally measured level of the profits of companies.

The Report comes out in favour of Current Cost Accounting (CCA) as the basis for company accounts. Unlike the system of Constant Purchasing Power (CPP) method, it uses the pound as its basis, rather than a purchasing power unit. The accountants, who originally preferred CPP, have now put their weight behind CCA.

For balance sheet purposes assets are revalued each year on the basis of "value to the business" at current prices.

A comparison between one year's balance sheet and the next would show an increase (or sometimes a decrease) in the net worth, the difference being made up of three components; operating gains, extraordinary gains and holding gains.

A "holding gain" is the difference between the measured value to a company of an asset at any point of time and the original cost incurred by the company in purchasing that asset, less depreciation where appropriate. The real trading profit of the company will be the total of the operating gains and the extraordinary gains, a distinction which already exists in accounting practice. Holding gains are not real gains and would be excluded from the profit and loss account.

There would be detailed valuation rules for different types of assets. Land and buildings would be periodically revalued on an "existing use" basis. A similar procedure would be adopted for ships and aircraft.

Other fixed assets would normally be valued on the basis of current written down replacement cost. Normally this would be the original cost less commercial depreciation, adjusted by an appropriate price index specific to the particular industry for capital expenditure on plant and machinery by that industry.

The Committee has ascertained that the Government Statistical Service already has the necessary information and would be prepared to publish figures. This calculation would not be used if the value derived exceeded both "economic value" (the discounted present value of the future stream of earnings derived from the asset) and the "net realisable value," and in such cases the value would be written down to the higher of these two figures, the assumption being that if the value on the open market exceeds the value to the business, the assets should logically be sold. Stock would also normally be shown in the balance sheet as its "value to the business," this being either its current purchase price (replacement cost) or net realisable value whichever is the lower.

In the profit and loss account, the most important adjustment is the "cost of sales adjustment." Profit should be struck after deducting from sales the "value to the business" rather than the historic cost of stock consumed. This may be replacement cost. A calculation must be made by comparing the average prices of stocks held at the beginning and the end of the year and the average price of purchases during the year. Usually official index numbers will be used, but where there are violent commodity fluctuations, a more complex method may be required.

CCA profits will be struck after making a charge equal to the "value to the business" of the fixed assets consumed during the year. (This, it is argued, eliminates the need to calculate backlog depreciation.) Depreciation is charged on the revised balance-sheet value for profit and loss purposes: this is deducted before making a transfer to the revaluation reserve in the balance sheet.

I started by saying that I was more interested in the ways in which a company could suffer real damage as a result of misstatement of its apparent profits.

First, the most important, price control, price adjustments in Government contracts and Trade Union negotiations are often based on some concept of "reasonable profit" and doubtless will continue to be based on such an irrational and unreasonable concept for so long as economic illiteracy prevails in high places.

If a company is permitted to make only "reasonable" profits, as calculated on a conventional accountancy basis, it will be making a totally inadequate return on an inflation-corrected basis.

At the Conference Professor Tony Merrett stressed this point. In the present environment companies ares not being allowed to make any positive return of capital at all on a "real" basis. The alleged lack of industrial investment reflects not failure on the part o fthe City, but wise prudence on the part of investors for rightly refusing to sink £1m. in plant and machinery only to get £900,000 worth (in real terms) ofgoods and services back.

The second way in which a company can suffer damage is that acounting profits are the basis of calculating tax. If tax, as a real cash drain on the business, is computed with reference to conventionl money profits, company liquidity will be seriously impeded. I put this point second only because the tax system has already been partly adapted to give some measure of relief.

Sandilands identifies three main ways in which inflation can distort the tax charge. These are depreciation provisions, stock appreciation and capital gains. His recommendations in all three cases are not particularly revolutionary.

First, 100 per cent. first year allowances are a "rough justice" alternative to replacement cost depreciation. One difficulty is that how rough the justice is will depend on the rate of inflation. A complicated formula for calculating stock relief is set out in detail.

I have already pointed out that the interim relief given for the last two years is unsuitable as a long-term measure. This is because relief applied to any increase in the value of stocks at the year-end, regardless of whether or not this was because of higher prices. This could have led to artificial tax postponement by companies. The Sandilands proposals avoid this danger, but, by offering tax postponement rather than tax relief, fall into another trap. Relief will be clawed back from companies which run down their stocks making contraction (even when this is the rational economic policy) an expensive option.

He recommends dealing with capital gains by a continuation and extension of rollover relief rather than by proper index adjustment of notional gains. The Report does suggest that a more broadly based review that its terms of reference offered would probably come down in favour of the indexation of gains for individuals as well as for companies.

Rollover is also just postponement, and such policies merely put a fiscal time limit under companies which will face a growing, and eventually fatal, deferred tax charge which could be precipitated on any close-down. Sandilands suggests that rollover relief might be extended into investment trusts.

If to them, then why not to individual investors? I have nothing against investment trusts, unit trusts, life asurance companies or any other investment intermediaries. Those who wish to channel their savings through these intermediaries should not be penalised by the tax system for so doing. But these intermediaries should not be privileged as compared with the man who holds his investments directly.

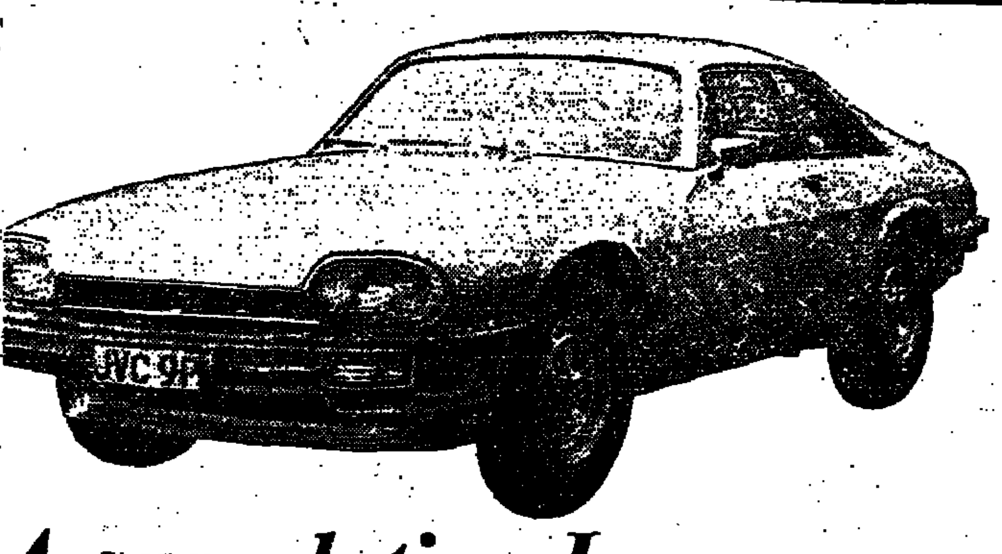
Although, in general, I welcome the Sandilands report, and regard it as preferable to implement something quickly rather than to spend years seeking an unattainable perfect formula, I criticise it on several counts.

First, as I have already suggested, merely deferring tax will in the long run make it increasingly difficult to break up unwieldy enterprises and to return unprofitably used assets to the free market. This is the old "survival of the fattest" criticism of the 1965 type of corporation tax.

Second, the treatment, including the tax treatment, of monetary assets and liabilities is inadequately thought through and unconvincing.

Third (and this is a criticism of the terms of reference rather that the Report) what they have to say about companies applies with even more force to the individual investor.

Motoring



A superlative Jaguar

BY JAMES ENSOR

·M NOT entirely convinced there is a place in a Europe centre-left governments, th taxes, speed limits and gallon petrol for 150 mph seater sports cars. But, if e is still such a place, the ar XJ-S must be the car to t.

re than any of its rivals—Citroen SM (now out of pro-ion), the Mercedes 450 SLC, BMW 3.0CS (also out of pro-ion) or the Fiat 130 coupe—new Jaguar has achieved a ect blend of smooth, silent, ing performance which es it really effortless and htful to drive.

hy do people buy £9,000 Well, partly, at least to ess onlookers, clients, s or girl friends—and this XJ-S certainly does. More any other car that I have n, and certainly more than mborghini or a Ferrari, it ed heads in the streets and d motorcyclists into dan-us postures as they tried to the name on the front.

that extent the comments ome critics—"it looks like ick at the front and a Dino he back"—are irrelevant. oks exciting and expensive.

ell, it certainly is. My pre-y recorded fuel consump-worked out at an average 2¼ mpg, driven within the d limits on a mix of Lon-and country roads. This pares with the 15-18 mpg ned by Jaguar's publicity rial—a figure which I ly feel few people will achieve in this car, except otorway driving.

for the excitement: I must d that I covered the dist-between any two points in XJ-S quite substantially r than in any other car that I have ever driven, despite keeping rigorously to the appropriate speed limits: with a car as identifiable as the Jaguar this is the only sane policy.

It is not that the Jaguar has such enormous acceleration though it does, or that its powers of roadholding are exceptional, though they are. It is rather that it is so quiet and so smooth that one tends to cruise comfortably across country at speeds that would seem uncomfortable in other high performance cars, even those of such calibre as the Lotus Elite or Ferrari Dino. Rarely does the twelve cylinder engine—the same as that of the XJ 5.3—rise above a murmur, or the noise of tyres, transmission or wind intrude into the silence of the cockpit.

Indeed, to paraphrase the advertising message of another famous company—at 60 mph the loudest noise is the sound of the air-conditioning thermostat automatically clicking the heating or cooling on and off.

This brings me to my most serious point of questioning about the XJ-S. Yes, it is a superbly engineered and designed car, perhaps the quietest and most comfortable high performance car on European roads: this, indeed, is why I have given it my vote in the 1976 European Car of the Year competition. But my question is—is the car over-engineered for current conditions?

Certainly a 12 cylinder engine, automatic transmission, automatic air-conditioning, powered radio aerial, electric windows, power steering will win it friends in the States—and that is its main market. But I found myself thinking again and again—is all this really necessary to my comfort in driving at 70 m.p.h. up the Kingston by-pass? My personal answer would be no and I might paradoxically enough find myself spending my £9,000, instead, on a 3 litre BMW coupe, with a normal heater, a manual gearbox and hand operated windows (there is a new one on the production lines).

A more serious reservation, perhaps, over what is being sold as a four seater coupé, is the amount of room and the difficulty of access to the back. One expects coupés to have relatively uncomfortable rear seat accommodation—long distances in the back of an Aston Martin can be an exquisite form of torture. But my reluctant conclusion over the Jaguar is that for drivers of average build or more, it must be considered strictly as a two seater. Even children complain of the lack of rear legroom, when the front seats are in a normal driving position.

None of this detracts, of course, from the engineering of the car, which must rate as British design at its very best. The design, which seems to have been an amalgam of the styling of Sir William Lyons at the very end of his active career, and of the engine work of Walter Hassan—though others evidently played a part as well—is superlatively worked out.

To make what is, in reality, a very large car feel so nimble and neat is no mean feat. It earns my vote as Car of the Year: and though the designers will certainly not win the trophy, I suspect that they will have the satisfaction of always finding more customers queuing up to buy it than Jaguar, even with Government capital behind it, will ever be able to supply.

Golf

Two pieces of good news

BY BEN WRIGHT

AGAINST ALL expectations in view of the nation's economic position, the British side of the European golf tour already promises much for 1976.

This is largely due to a massive injection of cash from Carreras Rothman for both their Piccadilly World Matchplay championship and their Piccadilly Medal tournament.

But this week's other good news that Uniroyal, who have helped the professional ranks considerably by sponsoring regional events in recent years, are to come forward with a £25,000 tournament at Moor Park during the week ending June 26, is especially vital.

A prize war

The lack of major open international competition in Britain and Europe in June of this year was a dreadful deterrent to a decent performance by a home-bred player in the Open Championship, at Carnoustie in early July.

Carreras Rothman have really cut loose, outdistancing all their rivals financially in one fell swoop, which can only lead to further benefit to professional golf in the shape of a prize war.

There must surely be some questions asked in the Board rooms of the Wills and John Player tobacco giants, for instance, about the withdrawal of the former from the scene in late 1974, and the latter's ill-fated flirtations with the professional golf scene that ended in a somewhat stormy separation in the autumn of 1973.

Thankfully latest reports indicate that the splendid Benson and Hedges Festival will go ahead as usual, albeit with a change of date and rumours of innovations. So once again cigarette money will provide the most significant contribution to our domestic tour.

In terms of inflation the massive boost in prize money for the Piccadilly World Matchplay championship, whose kitty has not been increased for three years, is merely keeping pace. But considering the largely gloomy speculation about the future of this incredibly popular event last month, the increase from £30,000 to £75,000 for an eight-man event to put it on a financial par with the 1975 Open Championship is sensational.

The winner, who will next year receive £25,000 instead of £10,000, will be taking away approximately the equivalent of the largest first prize on the 1975 American tour, namely the $52,000 won by Bob Murphy in the Jackie Gleason Inverarry classic in Florida in February.

The beaten finalist will receive £15,000 instead of the £5,000 that Al Geiberger earned at Wentworth this October, while the last day gallery, which will be doubled to approximately 5,000, will also get much better value for money in 1976. For the first time the beaten semi-finalists, instead of bowing out £3,500 to the good, will play off over 36 holes for third and fourth place money of £8,500 and £6,500 respectively.

VIP treatment

Carreras Rothman have always been good to their playing guests and families in recent years in terms of accommodation, each being put up in a mansion on Wentworth Estate with butler, maid and a chauffeur-driven limousine. The company has resolutely and sensibly opposed the payment of appearance money, preferring to attract visitors with the aforementioned and other fringe benefits. But officials were quick to realise this year that they had to do something drastic to combat the Lancome counter-attraction across the Channel in Paris, the brain child, as was the Piccadilly, of Mark McCormack.

As Vardon Trophy winner in four previous years and obviously British No. 1, Peter Oosterhuis had some claim to be included in the eight-man Piccadilly field. But if the event is to live up to its name he could hardly be included among the world's top eight professionals. And since Bobby Cole failed to gain a place in the top 60 players in the U.S. exempt from Monday pre-qualifying, his inclusion was decidedly suspect. The addition of this South African World Cup winner smacked of desperation rather than justification.

But with first round losers guaranteed £5,000 next year, the number of top-ranking volunteers should not be so thin on the ground. The sponsors have already announced that Hale Irwin, winner in 1974 and 1975, has guaranteed to defend his title, which in itself is a guarantee of golfing class and elegance in hopefully large doses.

The Piccadilly Medal gets a similarly generous cash boost, the prize fund being increased from £15,000 to £40,000. Dates have just been fixed for May 12 to 15, but the venue has yet to be settled.

The Royal and Ancient Golf Club of St. Andrews has weighed in with an interesting announcement concerning Royal Birkdale, the venue for the 105th Open Championship in July, 1976:

The course has been re-measured at 7,001 yards, par 72, instead of 7,080 yards, par 73, as it was for the 1971 Open. The only major change concerns the first hole, which has been shortened from 493 yards, par 5 to a relatively simple par 4, of 450 yards. This cut has been brought about in the interests of crowd control and movement, creating much-needed space around the first tee, but more importantly in the hope of speeding up play.

Irritating delays

Nothing except a short par 4, whose green can be reached with the driver, slows up play more disastrously than a short par 5 to start. Spectators at Royal Birkdale in the past will remember the irritating delays on this hole because players waiting for the green to clear before they can play their second shots prevent those waiting on the first tee from driving.

The Championship Committee has resisted the temptation to play the wonderful sixth hole as a par 5 at 528 yards from an old championship tee, keeping it instead as a par 4 of 468 yards. The player thus has the option of risking trouble with the ridge and its cross-bunker from the tee with his driver, or laying up short—much more subtle.

Season tickets are available at the full discount rate of £10.50 until January 31, 1976, after which they will cost £11.50.

Bridge

Break in the clouds

BY E. P. C. COTTER

AFTER LOSING five rubbers in partnership with a first class player, I found myself vulnerable when this deal turned up:

	N.	
	♠ A	
	♡ A K Q 7 5	
	◇ A J 9 6 5 3	
	♣ Q	
W.		E.
♠ 8 5 3		♠ J 7 2
♡ 10		♡ 9 8 6 4 3
◇ Q 10 7 4		◇ 8
♣ A J 8 4 3		♣ 10 9 6 2
	S.	
	♠ K Q 10 9 6 4	
	♡ J 2	
	◇ K 2	
	♣ K 7 5	

Sitting North, I dealt and bid one diamond—I do not consider the hand quite good enough for an opening bid of two diamonds—and my partner replied with one spade. Now I made a second-round force of three hearts, rebid four diamonds over the response of three spades, and my partner said four no trumps. You may think this a dangerous bid, but South did it with his eyes open. Relieved by my reply of five spades, he bid six no trumps, and all passed.

West led the heart ten, which was won by the Queen, and the Ace of spades was cashed. The Queen of clubs came next, which West ducked in an endeavour to cut the lines of communication. Coming to hand with a heart to the Knave, South cashed King and Queen of spades. With the 3-3 break in the suit, there was no further problem, and 13 tricks were made.

If this hand were put into a duplicate pairs contest, I think many pairs would arrive at a slam in one of the red suits and meet with defeat. If a slam is contemplated in hands where three strong suits have been shown, it is often best to bid the slam in no trumps, as this does not put all the eggs in one basket. The break in just one of the three suits may be enough to get home.

Let us return to my opening bid. Make the diamonds a little stronger, exchange the three for the ten, and I would have said two diamonds. But I would remind you that an opening bid of two diamonds requires an extra winner in strict Acol, a principle which seems more honoured in the breach than in the observance.

Two days later I had again met with no success when this arrived:

	N.	
	♠ A J 5	
	♡ A K 6	
	◇ K J 6	
	♣ 10 9 7 2	
W.		E.
♠ Q 9 7 2		♠ K 8 6 3
♡ —		♡ 10 9 8 4 2
◇ Q 10 7 2		◇ 9 5 4
♣ Q J 8 5 3		♣ K
	S.	
	♠ 10 4	
	♡ Q J 7 5 3	
	◇ A 8 3	
	♣ A 6 4	

We had won one game when I dealt in the South seat, and after two passes North said one club (why not one no trump?). I said one heart, and after a single raise in my suit I went four hearts, and all passed.

West led the club eight—don't ask me why. I expect he miscounted his fourth best. I covered with dummy's nine, and East produced the King—the mystery deepened. However, I won with the Ace and all seemed set fair, so I led a trump to dummy's King. When West discarded the club three, the sun stopped shining. I now had a trump loser in addition to two clubs and one spade.

In such cases a favourable distribution must be assumed. The diamond six was led to the Ace, and a diamond returned for the Knave finesse, and the King was cashed. The two of clubs was led, East throwing the eight of spades, and West had a problem. If he cashed both clubs, he would set up the ten on the table; if he switched to a spade after making one club, I could run it to the ten and so score two spade tricks.

In actual play he chose to cash both clubs, and then led a spade. The Ace won, and my second spade went away on the club ten, while East ruffed or discarded, as he pleased.

APPOINTMENTS

Group changes at Vauxhall Motors

Four senior appointments have been made by VAUXHALL MOTORS. Mr. Geoffrey E. Moore, director of personnel, government, public and industry relations, is now assistant to the managing director; Mr. Eric D. Fountain, director and Ellesmere Port plant manager, becomes director of manufacturing, succeeding Mr. Donald C. Lowe, who has resigned to take up another position; Mr. George E. Barker, general production manager at Ellesmere Port plant, replaces Mr. Fountain as plant manager; and Mr. John A. Arnold, production, engineering and facilities manager—central staff, who has been appointed plant manager, Luton, following the retirement of Mr. John H. Spires.

★

Mr. Neville Cohen and Mr. Mel Lewis have been appointed directors of BARKER AND DOBSON.

★

PEARSON LONGMAN has elected the Duke of Atholl, chairman of Westminster Press, and Mr. A. V. Hare, managing director and chief executive of the Financial Times, to be directors of the company.

Mr. W. M. Morrell, managing director of Westminster Press, has resigned from the Board of Pearson Longman to reduce his commitments following illness.

★

Mr. Richard F. Pedersen, former U.S. Ambassador to Hungary, has been appointed senior vice-president, international operations, of UNITED STATES TRUST of New York.

★

Mr. D. S. Rose has been appointed actuary of the NATIONAL MUTUAL LIFE ASSURANCE SOCIETY, and has joined the Board.

★

Mr. B. E. Rudd, assistant managing director of SPHERE DRAKE (UNDERWRITING), is now responsible for non-marine underwriting and marketing.

★

Mr. R. Gordon Slade has been appointed chairman of Fairey Hydraulics following the retirement of Sir Joseph Hunt. Mr. Slade is succeeded as managing director by Mr. D. J. Everett who was previously commercial director. Mr. R. A. G. Harcourt has been made a director and general manager of Fairey Filtration in place of Mr. D. O. Thurgood, who is now managing director of Fairey Industrial Products.

FAIREY COMPANY is the parent concern.

★

Mr. John Schofield and Mr. Eric Tyler have been appointed to the Board of BRITISH DEBT SERVICES. Mr. Schofield is company secretary and Mr. Tyler is head of computer services.

★

Mr. H. J. Myhill has been appointed to the main Board of BTR. He is currently managing director of BTR South Africa.

Dr. R. Geoffrey Rowley has been appointed a director of SKIPTON BUILDING SOCIETY in place of Mr. William A. Anderson, who has retired.

★

Mr. Alfred C. Bishop has relinquished his position as a director of I. AND J. HYMAN to develop the company's interests in the automotive and allied industries. A new company is being formed by Hymans with Mr. Bishop as managing director.

★

Mr. Peter Johnson, deputy chairman of Johnson and Firth Brown, has been appointed a director of BRITISH ENGINE INSURANCE.

★

Mr. John R. Neller has been appointed managing director of FILM COOLING TOWERS (1925), a subsidiary of Montague L. Meyer.

★

Mr. Russell Shearer has been appointed to the Board of WIGHAM POLAND SCOTLAND, a member of the Wigham Poland Group.

★

Mr. H. Marsden has been appointed deputy managing director of EVA INDUSTRIES and Mr. M. B. Yates has been made director of finance and administration from December 1. Mr. Marsden relinquishes his position as managing director of Chillington Tool but will remain on the Board. He is succeeded as managing director by Mr. F. A. Yates.

LONG-RANGE WEATHER FORECAST

Changeable

CHANGEABLE WEATHER is expected in all districts during the next 30 days according to the Meteorological Office the long-range weather forecast. But some settled anti-cyclonic spells are also likely, especially in December.

Mean temperatures are expected to be above average in the west, but about average in the east.

Rainfall will probably be near average generally, but below average in north east Britain.

Frost and fog are expected at about average frequency in the east but less than average in the west.

CHESS SOLUTIONS

Solution to Position No. 88. 1. QN-Q2? 2 NxQBP! BxN; 3 KPxP, PxP; 4 PxP, B-N2; 5 P-Q6, BxB; 6 PxB QxP; 7 KxB leaves White a clear pawn ahead with a technical win.

Solution to Problem No. 88. 1 B-B2, PxB; 2 R-N4, KxP; 3 N-Q7 mate.

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Travel

A winter sun selection

BY SYLVIE NICKELS

LAST MONTH I made the acquaintance of one of the nicest islands I have met for a long time. About the size of Surrey, it sits in sheltered waters within a necklace of coral reefs in the middle of the Indian Ocean. It has beaches of pure silk, some most extraordinarily shaped mountains, vegetation ranging from waving palms and sugar plantations to coniferous-covered heights, and a delightfully mixed population of Indian, Creole, Chinese and European. The rather few developments are mostly recent and mostly in excellent taste.

The island is Mauritius, of which I hope to write more in a few weeks' time. In the meantime, it is an idyllic winter sunshine destination (sharp but usually short rains, mainly at night from January onwards; their major cyclone every 15 years is next scheduled for 1990), for which a two-week package by Rankin Kuhn costs from £392-£430 with half board.

Mauritius, a giant tortoise, with its eggs, in the Balfour Gardens at Quatre Borres

Despite the greater distance, this price range is about the same as for the Caribbean, where high season charges apply from mid-December; but extra weeks and local costs are considerably lower in Mauritius and, though the service may be less slick, it is usually accompanied by a winning smile.

It is no good fooling ourselves that we can get guaranteed hot winter sunshine anywhere in Europe. But it can be guaranteed to be noticeably less cool than in the U.K., and here are some average January early afternoon temperatures to compare with London's 43° F: Athens 54° F, Biarritz 52° F, Casablanca 60° F, Dubrovnik 50° F, Gibraltar 60° F, Malaga 61° F, Malta 59° F, Nice 56° F, Palermo 58° F, Palma 57° F, Rome 54° F, Tangier 60° F.

A new French Leave programme by British Airways, Tour France and a consortium of U.K. tour operators, including Supertravel, features 80 hotels in the South of France. For £118, for example, you get return flight, transfers and a week's b. and b. in the gracious splendour of the Carlton Hotel, Cannes, where most of the crowned (and would-be crowned) heads of Europe have stayed at some time. Another £12 per person (if four) covers a week's self-drive car with unlimited mileage. The programme features much lower-priced arrangements, too, and you can still eat well in the little bistros of the French Riviera for Frs.15-20, including wine.

Rome is an attractive capital destination among Pegasus Holiday's one-week offers: from £89, return flight and b. and b.

Among the big package tour operators, the programmes of Cosmos and Thomson Holidays cover all the popular traditional warm spots of mainland Spain, the Balearics, Malta, Tunisia and the Atlantic Islands in most cases ranging from 3-28 nights and, in some, up to 56 and even 70 nights. You need a damp towel round your head to co-ordinate all the information contained in different panels and cross references concerning possible reductions and/or extras; but the final result can still be astonishingly low at from under £4 a day on longer stays, including all travel and full board, and substantially less for self-catering arrangements.

The Atlantic islands fare rather better on their January early afternoon averages: 66°F for Funchal, Madeira, and 70°F for Las Palmas. Despite its higher rainfall, my preference is for Madeira which is correspondingly lusher, and rather less brash. Martlet Holidays, who specialise in islands, have 7- to 28-night arrangements in Madeira, from about £210 for two weeks with full board. They also have an unusually wide range of holidays in the Seychelles, which are spasmodicaly a bit wet in winter, but very warm and very lovely. Prices start at about £350 for two weeks with half board.

The January-March period is a good time for many pa ts of India, and Kuoni Houlders are among those who have discovered one of my favourite spots: Goa on the Malabar coast.

The combination of East and West in this ex-Portuguese territory make this tropical corner of the sub-Continent particularly fascinating and it is, as yet, very little developed and uncommercialised. Costs for 16 days (14 nights) are around £350 for travel and half board, with two nights' b. and b. in Bombay en route.

Goa and South India are combined in two well-planned programmes, escorted throughout. One is by Serenissima Travel, accompanied by an expert and author of Indian culture and history: duration 18 days, departing 4th February, cost £630 with luxury treatment all the way. The other by Alta Holidays has several departures, lasts 16 days, costs £495 and includes, in my opinion, India's most delightful state of all, Kerala.

Bales Tours have some varied offers for India and the Far East. Count about £650 for a 17-day escorted tour, on half board basis, combining Hong Kong, Bali, Singapore and Bangkok. And, talking of the Far East, among the most exotic fly-cruises on the market are Holland America Line's Indonesian Discovery Cruises by the *Prinsendam*, especially built to go where other cruise ships cannot. The cost is £739-£1,122 (according to cabin) for 20 days, with return flight, 14 days cruising, four nights in Singapore, adding up to a long, luxurious adventure.

Addresses: Rankin Kuhn, 19, Queen St., Mayfair, London W1X 8AL; Supertravel, 22 Hans Place, London SW1X 0EP; Pegasus Holidays, 2, Lower Grosvenor Place, London SW1W 0EG; Cosmos, Cosmos House, 1, Bromley Common, Bromley Kent BR2 9LX; Thomson Holidays, Greater London House, Hampstead Road, London NWL 7SD; Martlet Holidays, 24, Preston St., Brighton, Sussex BN1 2HN; Kuoni-Houlders, Deepdene House, Dorking, Surrey RH5 4AY; Serenissima Travel, 5, Ellis St., Sloane St., London SW1X 9AL; Alta Holidays, 57, Victoria St., London SW1H 0HG; Bales Tours, 16-17, Coventry St., Piccadilly, London W1V 8BL; Holland America Cruises, 56, Haymarket, London SW1Y 4RZ.

Your week-end £: Austria 37, Belgium 81, France 8.92, Italy 1,510, Greece 75.5, Spain 120.75, Switzerland 5.37, U.S. 2.0425. Source: Thomas Cook.

Gardening

The beauty of bark

BY A. G. L. HELLYER

IT IS AT this time of year that one most appreciates the beauty of bark in the garden. Silver birches really do stand out now if they are truly silver but by no means all are. This is an extremely variable tree both in bark colour and in habit, anything from dark grey to silvery white and from fairly stiff outward or upward branching to delightfully slender and weeping.

Reliable

To be sure of a good one it must either be picked out in the nursery or be bought to name. Varieties known as Dalecarlica, or Swedish birch, and Tristis are reliable and the former has the added attraction of leaves deeply cut around the edges. But for a small garden the best of all is Youngii, or Young's Weeping Birch, which grows so slowly that it will take many years to reach 15 feet.

All these are forms of our native silver birch, Betula pendula. Equally beautiful in bark and quite distinctive in colour is B. ermanii, a completely hardy species from north eastern Asia. It differs from even the best forms of common birch in being smoother, almost polished in appearance, and having a slight suffusion of pink. It is certainly an eye catcher which nearly always stops passers-by in their tracks to look, comment and maybe stroke the gleaming surface.

Prunus serrula is equally irresistible, another Chinese tree, a relation of the cherries with insignificant flowers and fruits but the most marvellous bark like well polished rosewood. It is very important to keep the trunk and main limbs free of shoots because rough patches develop around these and spoil the appearance of the bark.

This is another tree suitable for quite small gardens because of its slow growth but do not expect much else from it except that almost unbelievable bark colour and shine. Notcutt's, the Suffolk nursery firm, have had the bright idea of grafting good flowering cherries on to it so getting a double or even triple return since some varieties not only flower well but also give good autumn leaf colour. These man-made trees are marketed as Sheraton cherries and are rather expensive but they do solve a problem where space is limited.

Prunus serrula is not all that easy to find. It is unlikely to be stocked by general nurseries or garden centres but most tree specialists should have it. Note well that the name is "serrula" not "serrulata," a totally different cherry that has quite ordinary bark. It is a pity that botanists chose such similar names for related but dissimilar species.

Maples

Of the maples Acer griseum and A. palmatum Senkaki are the two most striking for bark colour. They are quite different in almost every respect. A. griseum is a slow growing tree with shaggy, peeling, cedar-red bark particularly well developed on the trunk and main branches; Senkaki is little more than a big bush with coral red bark confined to the younger stems.

Both have good autumn leaf colour as an additional attraction, coppery red in A. griseum, light yellow in Senkaki. And again it is no use looking for them anywhere except in tree and shrub nurseries since both are fairly scarce and rather expensive, Senkaki because it must be grafted on to an ordinary maple stock, A. griseum because good seed is exceedingly hard to come by.

Several kind of arbutus have handsome peeling bark, none better than Arbutus menziesii and A. andrachne. Unfortunately both are difficult kinds to grow, A. menziesii because for some obscure reason it usually shoots up rapidly on a single stem and then collapses, A. andrachne for the much more obvious reason that it comes from Mediterranean and Black Sea areas and is not quite hardy.

But A. menziesii will thrive in the right place. There is a marvellous specimen in Winkworth Arboretum near Godalming, covered, at this very moment, in its small red strawberry-like fruits. It is planted on the hillside in poor sandy soil and this may be the reason for its success.

In Vancouver Island, where is grows wild, I was told that wherever it appeared abundantly you could be sure that there was rock not far below. Acting on that information I have planted it in a quarry which so far it seems to be enjoying.

However, there is another arbutus which is almost as attractive in bark, a mixture of cinnamon, pale green and cream, is hardy enough to be grown in most parts of Britain and is not fussy about soil.

This is A. andrachnoides, a hybrid between A. andrachne and A. unedo, the strawberry tree which grows wild in Killarney and is sufficiently at home in England to have naturalised itself in some places. A. andrachnoides only got its Award of Garden Merit in 1969, a somewhat belated recognition of the merits of a tree that has been available, though very little planted, for the best part of 200 years.

Eucalyptus

Most species of eucalyptus have good bark, often like smooth pumice stone with patches of greenish cream or near white. Even the hardiest can be damaged in severe winters except in mild maritime localities and all are a little tricky to get started.

The secret is to start in spring with very small plants purchased in pots, tapped out carefully so that they can be planted without root disturbance and kept well staked for the first two or three years.

Hard pruning each spring helps them to survive and improves the foliage but limits bark colour to the young stems where the mottled effects are not developed. Two of the most reliable are Eucalyptus gunnii and E. niphophila.

SALEROOM

Jewels sell for £3.5m.

AN EMERALD and diamond necklace sold for £290,909 to Grassi, a Madrid dealer, at Christie's £3,501,118 sale of jewels in Geneva on Thursday night. The matching ear clip sold for £38,181 to a London jeweller, Fawcett.

A French buyer paid £180,000 for a ring set with a diamond of 19.48 carats by Van Cleef and Arpels. An emerald and diamond pendant set with two drop-shaped emeralds of 6.53 and 6.3 carats sold for £81,818 to Fawcett.

A sale of modern British pictures in London yesterday totalled £89,345. A bronze and string sculpture by Dame Barbara Hepworth sold to Gimpel for £3,360. Paintings by Edward Seago were fetching good prices and one of the Rue du Pont Neuf, Paris, went to a private buyer for £3,150 and another painting by the same artist of a canal scene, Chioggia, sold for £2,520 to a private buyer.

Economic Diary

PRIME MINISTER attends six-power summit talks on world economy at Rambouillet, near Paris, starting to-day.

Other events and statistics next week include:

SUNDAY — Talks between Britain and Iceland aimed at averting a new "cod war" resume in Reykjavik.

MONDAY — Junior doctors ballot result expected. Farm workers' pay talks. U.K. banks assets and liabilities and the money stock (mid-Oct.). Sterling and London dollar certificates of deposit (mid-Oct.). Retail trade (Oct.-prov.). Turnover of motor trades (3rd qtr.). Turnover of catering trades (Sept.). Preliminary estimate of gross domestic product based on output data (3rd qtr.).

TUESDAY—President Nyerere of Tanzania arrives for State Visit. Mr. Peter Shore, Trade Secretary, at Anglo-Israel Chamber of Commerce dinner, Royal Lancaster Hotel, London. Building society house prices and mortgage advances (3rd qtr.).

WEDNESDAY—State Opening of Parliament. CBI monthly council meeting. Basic rates of wages and normal weekly hours (end-Oct.). Monthly index of average earnings (Sept.).

THURSDAY — President Nyerere in talks with Prime Minister at Downing Street. Prime Minister also attends local government conference, Eastbourne. Consumer's expenditure (2nd estimate—3rd qtr.). Car and commercial vehicle production (Oct.-final).

FRIDAY—Prime Minister receives honorary freedom of City of London, Guildhall. Trade and Industry publication of DOI includes sales and orders in engineering industries (Aug.). New vehicle registrations (Oct.).

How to spend it by Lucia van der Post

Double Take

Packaging being re-used after original purpose has been served.

Ever since the ecology movement really got going most of us have become very conscious about packaging of all sorts, trying where possible not to buy things where the packaging is disproportionate to the contents and trying where possible not to throw away things that can be used in a different way later on. On the whole it's not easy trying to prevent waste. The public at large is very well aware of the problem and so is Government and industry but so far little seems to have been done. Some packaging has occasionally been designed specifically to be re-used but it usually appears as a gimmick and then disappears.

The design problems still seem to be insuperable and the Friends of the Earth confirm that they receive hundreds of phone calls and letters from individuals longing to prevent waste but unable to know how to deal with this or that bit of expensive wrapping.

However, with a little common sense it is amazing how much domestic packaging can be re-used. Most of us already use coffee jars for storage, tea-caddies for housing tea-bags later on and so on. For those who have enough old jam jars, fruit juice jars, etc., many small shops, particularly health food shops, can and do re-use them.

Quite often it is up to the individual housewife to find out if her local shops would like to take the containers back and even if she is unable to extract any money for them, it is at least better than having them thrown into the dustbin. It is worth asking your local grocer if he would like his egg boxes back and shops selling products for home wine-making sometimes take empty wine bottles which they then clean and sell to their customers. Most professional bottle washers are usually interested in bottles in quantities that are too large for any individual to accumulate and store.

Re-using packaging mostly depends upon common sense, an eye for shape and line and a little imagination. Some packaging is so evidently beautiful that we automatically keep it and re-use it—Keiller's orange marmalade stone jars are used in almost every design office as a pencil and pen holder; cigarette tins are often used to hold small nails and screws; empty yoghurt and cottage cheese containers are useful for storing small quantities of foods or sauces in a freezer: non-spill paint pots can be made by cutting off the top of washing-up liquid plastic bottles, discarding the middle section and inverting the top into the bottom.

More storage can be created by nailing the tops of jam jars to the *underneath* of a shelf and the jars are just screwed and unscrewed from the lids as and when needed. Catering size cans of some products — like marmalade—come with re-sealable plastic lids so these can be used, either with the lid for storing other foods, or without the lid as waste-paper bins.

Undoubtedly what is now needed is for more manufacturers to think in terms of producing packaging that is clearly designed for a less wasteful society—I'm particularly amazed that so few toy manufacturers package toys in anything but flimsy cardboard boxes that disintegrate after a few weeks. Why not strong, wooden boxes which could house the toy properly for its useful life and later on be used to store other things? I know it would cost more in the short-term but it would be so much less wasteful and therefore would cost less in the long-term.

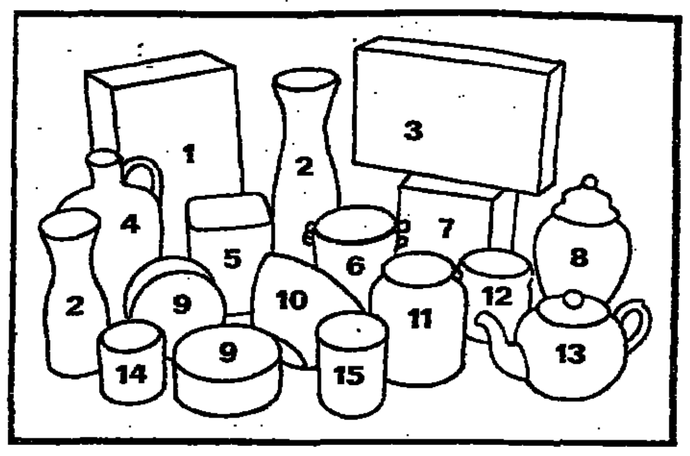
In the two pictures at the top of the page we've gathered together a crop of goods which have been packaged with imagination—all the packaging has a life that will extend beyond its immediate purpose of holding together the product you are buying.

Almost everything we show is food, a field where we are notoriously so subject to emotive responses that the packaging has become very important. One of my children is given to buying very expensive French sweets entirely because he is seduced by the beautiful packaging, the sweets being not much different from anybody else's, and similarly given the choice between a beautiful jar of Moutarde de Meaux and a tin of somebody else's mustard. I know which one I buy every time.

It is interesting that at least two of the foods photographed, the Jacob's Cream Crackers and Elsenham's Patum Peperium, are having a great success with packaging that is far from new—Jacob's have revived an old pre-war design for their tin and the Patum Peperium design dates originally from 1828.

The photograph on the right shows products as we would buy them whilst the photograph on the left shows how the packaging could be re-used.

Packaging before the contents have been used. Leonard Burt



1. Jacob's Cream crackers now come packaged in these old-fashioned pre-war tins which can be re-used either for storing other biscuits or for holding sewing materials and wool as in our picture. £1.25 for 1 lb. 4 ozs (p+p 53p).

2. Wine for everyday drinking is sold in glass containers designed to be used as carafes. Red, white or rose, £1.40 for the large carafe, 45p for the small as a special offer until Christmas from Panzers of 24 Notting Hill Gate, London, W.11.

3. Chinese cooking kit containing pots of sesame seeds, star aniseed, cinammon bark, whole root ginger, monosodium glutomate, soya sauce and other spices as well as a 12-page recipe book. All the little pots can be re-used for other storage—we have suggested using them for holding nails, screws, tin-tacks, etc. £1.95 (p + p 53p).

4. Vinaigre vieux de vin comes in a litre stone jar which is much too beautiful to be thrown away and is certainly better-looking than most of the objects sold as vases these days. £2.65 (p + p 53p).

5—Earl Grey's tea comes packaged in a nice square tin box which can, of course, be used for keeping other tea or the lid can be punctured with a hole to take a length of string and it then makes an admirably practical container for a ball of string. 1 lb tin for £1.09 (p+p 53p).

6—Castel Perigord terrine du maison is in a clear glass preserving jar which can be used over and over again for preserving fruits or making rillettes du porc or terrines. The terrine contains truffle juice and costs £1.45 for 13 ozs. (p+p 65p).

7—Earl Grey's Tea in a wooden chest—the wooden box would make an admirable container for small children's toys of all sorts, cotton reels or foods not needing an air-tight lid. £1.50 for 1 lb of tea (p+p 53p).

8—Canadian clover honey packed in a china vase by Carltonware, the vase itself is white glazed with gold leaf trim and blue and brown flowers. 1 lb honey, £4.90 (p+p 67p). It may make the honey seem expensive but the jar is lovely.

9. Patum Peperium. 3 ozs. of this traditional Gentleman's Relish comes packed in various ways—my own favourite is the trad black/white opalescent china pot which I would re-use for keeping jewellery, £1.10 (p+p 53p). There's also a series of game decorated pots, which we have suggested could be re-used to hold powder as they are good enough to sit well on anybody's dressing-table, for £2.30 (p+p 53p).

10. Christmas pudding sold in a traditional Cornish blue and white basin which could be re-used. 1 lb size costs £1.10 (p+p 67p), 2lb size £1.75 (p+p 92p) and 3 lbs £2.40 (p+p £1.08).

11. Moutarde de Meaux, the lovely crunchy, aromatic mustard in the nice stone jars costs £1.30 for 17½ ozs. (p+p 65p). The stone jar is much too nice to be thrown away and you could either keep it and use it to store your own mustard (we hope to give a recipe for this in the next few weeks) or else could be used as a pencil and pen jar or to hold kitchen herbs or flowers.

12—Stilton in stoneware jars which could be used for potting jam, holding flowers or pencils; 4 ozs £1.15, 8 ozs £2.18 or 16 ozs £3.00, 20 ozs £4.85 or 36 ozs £6.00 (p+p 53p for the smaller sizes, to £1.03 for the largest).

13—Jackson's of Piccadilly had this teapot specially designed for them as a container for 4 ozs Earl Grey's tea. In Royal Blue china with the Royal warrant and Jackson's of Piccadilly in gold lettering it makes an enchanting tea-pot when it no longer holds the tea £2.30 (p+p 65p).

14—Clay pots containing 25 grammes of herbs. There are three mixtures, thyme, basil, savory, green anise and lavender flowers; or fennel, marjoram, savory, sage and thyme (very good with fish): or Herbes a l'estragon—tarragon, rosemary, marjoram, savory, basil and anise. The first mixture can also be bought in giant 300 grammes pots for for £3.75 (92p)—Jackson's suggest you keep some for yourself and pack the rest into little cloth pouches to give to friends. The small pots are £1.10 (32p p+p) and make charming holders for butters of all sorts, whether plain, parsleyed, anchovy, etc.

15—Sharwood's have started selling their stuffed olives in glass containers deliberately designed to be used as whisky tumblers when the olives are finished. This is the kind of sensible packaging that costs no extra to do, just requires a little thought and planning. 7 ozs of olives cost 65p (p+p 40p).

Many of the foods in our photographs are widely available from good quality grocers all over the country. However, for those who don't live near a good grocer or prefer to shop by mail, Robert Jackson of Piccadilly, London, S.W.1, will sell any or all of them by mail and I have included their postage and packaging charge after each price. They also have a full-colour catalogue with all their Christmas wares itemised for 15p from the Piccadilly address.

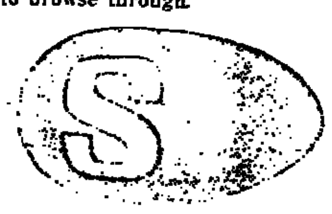
All dried flowers used in the photograph are from Heal's, of 196, Tottenham Court Road, London, W.1, from their new plant and flower department.

The Name Game

● There's nothing like an entirely personal present for making the recipient feel that a great deal of thought has been devoted to pleasing him and high on the list of personal presents are those with either names or initials as an integral part of the present.

Some of the nicest jewellery around at the moment are very thin elegant gold bangles bearing a gold initial and Jones of 52, Beauchamp Place, London, S.W.3., sell some of the nicest of these initials. In 9 carat gold they are £30 each. However, many jewellers sell them at varying prices depending on size and gold content, and for the really hard-up many large stores sell them in gilt in their costume jewellery sections at prices between £1 and £2.

If you want to see what the Jones initials look like send to Jones, 52, Beauchamp Place, London, S.W.3. for their very beautiful full-colour catalogue—it's free and is fun to read and to browse through.



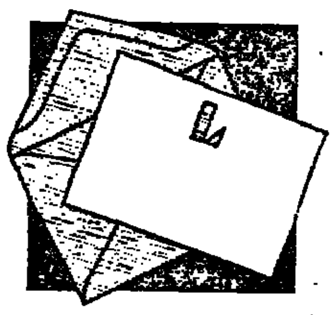
Parrots, a shop devoted to presents of all sorts, small, big, old, new, funny, serious, trendy or chic, is to be found at 56, Fulham Road, London, S.W.3. and they have a host of initial ideas.

They have a beautiful range of plain china eggs by Fornasetti. The eggs make ideal paperweights and are white with gold initials. £3.90 each (25p p+p).

They have initialled key rings, either enamelled (£2.80) or in gilt (£4.20) as well as an initialled bottle opener (£4.50).

For children there is a charming toothmug or drinking mug which can be supplied with the child's name hand-painted on it —but order now if you want it in time for Christmas. The mugs come from Italy and are £2.25 (45p p+p).

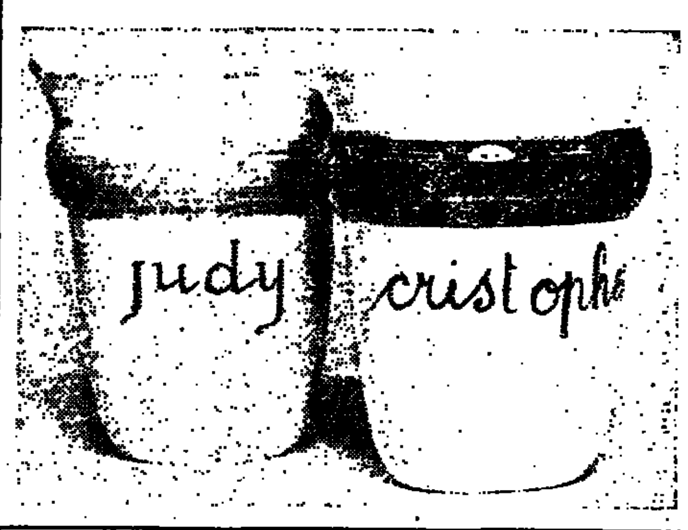
For those readers who can't get to the shop there is a very nice catalogue with lots of clear pictures, some in colour, some in black and white, so that presents can be ordered from the comfort of one's own arm-chair. Price 50p.



Paperchase have this year an even more enticing selection than ever of paper things of all sorts ranging from exquisite writing-paper to Christmas decorations of all sorts, boxes so pretty that they almost make a present on their own (and at the price most of them are, will probably have to).

Many of the things Paperchase sell either at their shop at 216, Tottenham Court Road, London, W.1; 167, Fulham Road, London, S.W.6 or their new shop in Harvey Nichols of Knightsbridge may seem very expensive but the cost of paper has risen enormously over the past year and nearly everything they do is exquisite.

A very nice small present is their range of thick parchment coloured cards (A6 size) which have a one-inch initial cut out of the top of the card, thus giving it that personal touch. All 26 letters are available and a box of 20 cards and envelopes in their own neat box sells for £1.50.



Lucky Dip

● Since postage has risen to such stringent and unfestive heights I feel there are only two attitudes that make any sense—either to give up sending through the post the usual footling messages and communications or to make the letters, cards or messages really worth sending so that they warrant the exorbitant charge we now have to pay.

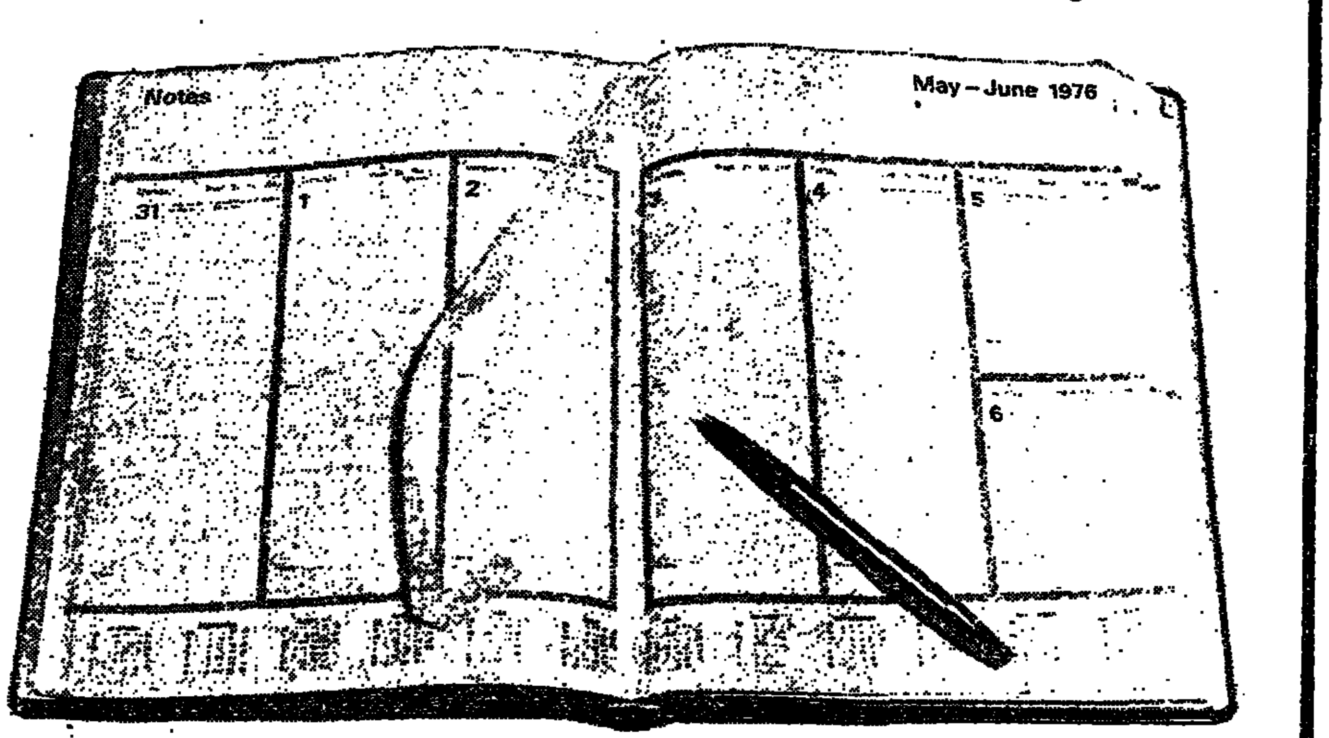
It remains to be seen how many of us will adopt which posture this Christmas but Paperchase of 216, Tottenham Court Road, London, W.1; 167, Fulham Road, London, S.W.3, and of Harvey Nichols, Knightsbridge, London, S.W.1, have got together a collection of such enchanting cards of all sorts that those who are not already of iron resolution will be bound to succumb.

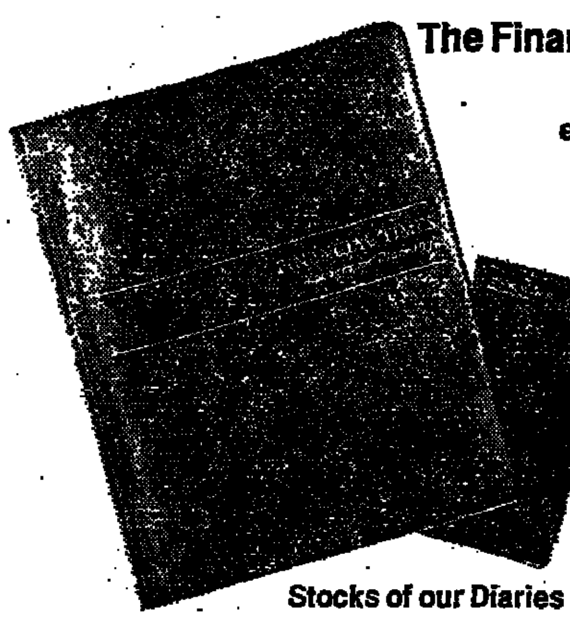
Among the nicest collection was a box of 50 cards, all of them reprints of authentic Victorian cards, all with their matching envelopes, for £4.85 for the whole box, which works out at less than 10p per card.

The drawback is that not all the cards are specially meant for Christmas. Some 20 of them are specifically Christmas cards but of the others six are New Year cards, seven birthday cards, three Easter cards, two Valentine ones and 12 are just general present cards.

I think the box makes a charming lucky dip and as one seems to need a never-ending supply of cards for all the various family events in the year the collection seems a good and interesting buy.

The box can be bought from all three Paperchase shops or they will send by post from the Tottenham Court Road address, charging 35p for postage and packing.





Property and housing

The rising cost of selling a house

BY JOE RENNISON

THERE ARE plenty of good reasons at present why many people are not putting their houses on the market—particularly in the middle and upper price brackets. In many cases there is simply little likelihood of the house being sold. In times of economic uncertainty there is less inclination to move or at least to move very far.

There is also reduced mobility in that fewer people now are wanting to trade up to a better house. There is increasing evidence that there is a growing trend in the opposite direction. Many want a smaller house and a profit, however small, when they move to supplement a diminishing real income.

There is a lot of movement in the market at the moment but it is concentrated at the lower end. A large number of buyers are those buying for the first time. There is some evidence (but no one can prove it since none of the official or semi-official bodies keep records on the subject) that much of the activity does not involve a physical move of any great distance.

There does seem to be some kind of correlation between income brackets and types of houses and the distance people are prepared to move. More people with larger incomes are prepared to move longer distances in search of a new job —or have to because of promotion. It is precisely this kind of person who has been hit by the slump in the property market for the more epensive kinds of houses.

Commuting cost

There are further dampeners on the market. Fewer people now want to "move to the country" since the cost of commuting to their offices or factories has increased tremendously. Much the same applies to the second-home market and there is the added disadvantage here that there is now no mortgage relief available for such a purchase.

But one item which could have an even greater effect on keeping the market dull is the cost of simply moving from one house to another. Not least among these expenses are the fees payable to estate agents. These have been rising gradually and there is an indication that they will continue to rise in the next two or three years.

At this point there will first arise the question of whether one should use an estate agent or not. Like all problems connected with houses and housing it is one that is bogged down by prejudice and personal experience. It would be foolish of me to make any judgment on the position. Anyone who has bought or sold a house has decided views on what should be done and even those who have not are convinced that they know the market situation and the law and the other attendant problems inside out.

The problem has arisen again with the publication recently of a pamphlet by the Incorporated Society of Valuers and Auctioneers on the subject of "Selling a House." The document is in general a plea to people to use a "professional."

That noes not necessarily invalidate the document. But there are some basic principles to be considered. Many people have attempted to sell their homes without the help of a third party and many have done so with success.

As the pamphlet points out anyone can sell their own house. There is no restriction on who can attempt to sell it as there is on the legal side of actually doing the conveyancing. Indeed anyone can become an estate agent simply by opening an office with a notice on the door to that effect. It is a very unsatisfactory system and one that had its greatest weaknesses shown up during the great property boom in 1971-73.

There were many then who opened the equivalent of a bucket shop to climb on the bandwagon of the enormous turnover in property at that time and to gain some of the profits there for the taking. Many, when the depression came, fell as rapidly as they grew. In many cases this was no bad thing. From personal experience of that time I know of many unqualified agents I would not even have allowed to take the dog for a walk let alone sell a house or be given a deposit on a house.

Many of them have now gone and we are again left with the hard core of old-established firms although even some of these have been forced out of business. And even with those that remain there are the good and the bad.

Most people, I think, would prefer not to use an agent if they thought that a sale could be completed without one. Who would not want to save the money? But the agents do have their uses. There have been innumerable examples recently of people doing their own advertising and attempted selling and at the end of a frustrating year or so having to call in an agent.

Knows best

There are times when the agent knows best. After all he is in the business for his living and is not going to attempt a ridiculous sale or put a silly price on a house simply for the fun of it. If a sale is not made, then he does not make any money.

It is difficult to judge who is better at this particular game than someone else. For the customer probably the only way is through reputation or heresay. In the last year it has been particularly difficult since the agents have been having great difficulty on the subject of valuation at the same time as owners have had to come (reluctantly) to terms with a new price structure.

If one does pick a winner in the estate agency league, there is the possibility that he could save one a great deal of money if he is certain of the price structure in his own particular area. No one would sneeze at an extra thousand pounds being gained for his house. Price is only one part of the matter: there is also the question of service to consider. It is a good indication of how a sale might go or is hoped to go to ask an agent how many people he has had enquiries from and how many he has actually taken to see a property. There was a time when an inspection in the presence of an agent was a matter of form but it is no longer true. Personal effort on his part must be a reflection of his success in business.

Given that the use of an agent is desirable we must also accept the fact that the cost of using their services is rising. We are lucky in this country since the cost of agents' commission is much smaller than almost anywhere else in the world. It is less than half of what is charged in the United States and in most of Continental Europe.

Two houses for the price of one in the New Forest. Passford Farm (above) is thought to be the oldest surviving house in the Lymington district. The thatched property dates originally from 1475 and is listed as being of architectural interest. The house is set in about 4½ acres and the 200-year-old stable block has been converted into a two-bedroom bungalow. Agents are Jackson and Jackson of Lymington and the price about £47,000.

In its pamphlet, the ISVA states: "Since November 1970 a Government Order has prevented estate agents from mutually agreeing a scale of selling charges but as a rough guide the commission on completion is likely to be between 1½ per cent. and 2½ per cent. on the amount realised, depending upon the price range within which the property falls and the part of the country in which it is situated."

This seemed to me to be an understatement of the charge and several agents in the business have confirmed this. Perhaps the first thing to be said is that, in the words of one professional association, "London is a rule to itself" and it seems that the survival of the fittest is the rule in agent/customer relations in many cases.

But in general it is agreed that the cost is increasing and will continue to do so. Some agents are already charging three per cent. and are talking about a move to four per cent. It would seem that a rise to five per cent. must be expected before very long. It is not surprising.

Difficult time

Whatever one feels about agents it can be agreed that they have in many cases been having a difficult time. Apart from a fall in business, they have been faced with the same increases in costs as any other High Street business.

Much of the expense they are involved in concerns telephone and postal charges and these have risen dramatically in recent times. For the conscientious the cost of ferrying around potential buyers must have also risen steeply. In a highly inflationary age most other costs have gone up.

There is a great deal of consumer uncertainty. As the pamphlet rightly points out: "The precise rate of commission and any other charges payable should be agreed and confirmed in writing when instructions are first given."

It is curious that this situation has partly arisen because of the actions of a benevolent government. In the good old days of an agreed scale charge one was certain of the exact size of at least one part of the cost of selling a house. But the Government of the day decided that this was too much of an old boys' club and abolished the system. It is perhaps just another instance of how official interference in the housing scene tends to work to the disadvantage of those seeking a home.

CHESS BY LEONARD BARDEN

IT LOOKS as if the vacuum in international chess caused by the disappearance of Bobby Fischer may be partially filled by the emergence of a genuine non-Russian challenger to world champion Anatoly Karpov. The player who Karpov has to watch is the talented Yugoslav, Lubomir Ljubojevic, who has recently followed up his success at the IBM grandmaster tournament this summer by winning in Manila in front of other leading contenders such as Larsen and Mecking.

Ljubojevic, 25, is six months older than Karpov, but totally different in style. He is essentially a tactical player with a wide knowledge of sharp and up-to-date openings.

The world-wide eliminating tournament series to produce an official challenger takes three years (much too long!) so that Karpov is safe until 1978. He has won every tournament since becoming champion, but challengers have a remarkably good record in title matches. Karpov against Ljubojevic would not be so strong a favourite as Alekhine against Euwe in 1935 or Tal against Botvinnik in 1961 —and they both lost.

At the time of writing, Britain still has a theoretical chance in the current elimination series with Hartston in the Reykjavik zonal and Pritchett in Yugoslavia, but it will be a pleasant surprise if either of them reaches next year's inter-zonal stage. A more serious challenge could come from Miles and Mestel in 1978.

This week's game, played at the IBM tournament this summer, shows the two strengths of Ljubojevic's play—tactical sharpness and well-primed opening knowledge.

White: F. Gheorghiu (Romania). Black: L. Ljubojevic (Yugoslavia). Opening: Sicilian Defence (IBM 1975).

The opening moves were 1 P-K4, P-QB4; 2 N-KB3, P-Q3; 3 P-Q4, PxP; 4 NxP, N-KB3; 5 N-QB3, P-QR3; 6 B-KN5, P-K3; 7 P-B4, P-QN4.

The main alternatives are the Poisoned Pawn variation 7... Q-N3; 8 Q-Q2, QxP made famous by the Spassky-Fischer match, and the steady B-K2 followed by Q-B2 and QN-Q2.

8 P-K5, PxP; 9 PxP, Q-B2.

Otherwise Black gets driven back—but since he now has to make seven moves out of eight with his queen with most of his other pieces undeveloped, this variation is regarded as suspect by many masters. However, Black's idea is not so easy to refute in practice.

10 PxN, Q-K4 ch; 11 B-K2, QxB; 12 Q-Q3, QxBP; 13 R-KB1, Q-K4; 14 0-0-0, R-R2; 15 N-B3, Q-B5 ch; 16 N-Q2, Q-B2; 17 B-R5, P-N3; 18 Q-Q4, P-K4; 19 Q-B2.

White's position looks impressive since 19 ..PxB fails to 20 N-Q5, Q-N2; 21 N-B6 ch with a winning attack, but in fact his pieces are becoming over-extended. 19 QR-K1 is a possible improvement.

19 ..B-QB4; 20 Q-B6, 0-0; 21 N-Q5, B-K2!

The tactical resource which White missed; if now 22 NxQ, BxQ or 22 Q-B2, Q-B4! and Black is consolidating his extra pawn.

22 Q-B3, B-N2! 23 NxB ch, QxN; 24 Q-B2, B-Q4; 25 B-B3, BxP.

Now the initiative changes hands, and White, discouraged by the failure of his entire opening, commits a sort of elegant hari-kari.

26 N-K4, R-B2; 27 Q-N6, KR-B1; 28 N-B6 ch? QxN! 29 Resigns (29 QxQ, RxP mate).

POSITION No. 88

BLACK (16 men)

WHITE (16 men)

This position could well be classified in opening books as the IBM trap since no less than three grandmasters and masters in the annual IBM tournaments in Amsterdam have fallen into it!

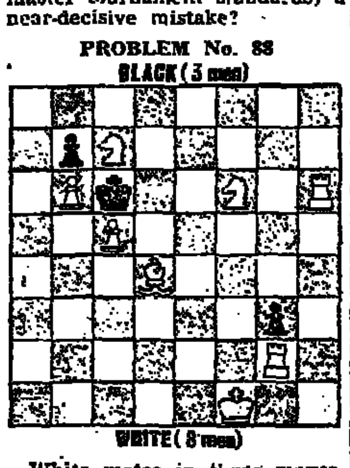
First, Ivkov lost to Langeweg, then Radulov fell into the trap against Ribli.

The diagram position turned up again in this summer's IBM international in the game Kavalek v. Raicevic after the moves 1 N-KB3, P-Q4; 2 P-B4, P-K3; 3 P-KN3, N-KB3; 4 B-N2, B-K2; 5 0-0, 0-0; 6 P-Q4, P-QN3; 7 N-B3, B-N2; 8 N-K5, P-B3; 9 P-K4.

Now Raicevic, like Ivkov and Radulov before him played 9...QN-Q2? Why was this (by master tournament standards) a near-decisive mistake?

PROBLEM No. 88

BLACK (3 men)



WHITE (8 men)

White mates in three moves, against any defence (by F. Giegold). Not so easy as it looks, since 1 RxP?? would draw by stalemate and successful solvers have to visualise an unusual mating pattern.

Solutions Page 5

Pay-price policy making progress, say Ministers

NISTERS yesterday expressed mselves highly satisfied with progress of the Government's i-inflation policy, but accepted t the greatest obstacles might l have to be faced early next r.

Mr. Michael Foot, Employment retary, Mrs. Shirley Williams, es Secretary, and Sir hur Cockfield, chairman of Price Commission, all told a idon Conference organised by Confederation of British ustry that the results of the cy so far were according to dictions.

Mr. Foot said that the main ry was that unemployment ht threaten the "acceptity" of the policy among the ons next year.

Mrs. Williams, reassured the ience of CBI members that in spite of a rise in inflation rates expected this month, the overall trend was still in decline.

Sir Arthur predicted that even taking into account the oil price rises, the price increases in the private sector for this year would not exceed about 15 per cent.

Mrs. Williams added that the Government was taking severe action to curb inflation in the public sector, particularly in its restrictions on rate-support.

On the crucial issue of the next round of anti-inflation policy, the Ministers would say little that was specific. Both Mr. Foot and Mrs. Williams left the audience in little doubt that industry has virtually no chance of obtaining a change from flate-rate pay rises to percentage limits and the abolition of price controls.

Mrs. Williams, on the other hand, re-emphasised that the controls would not go on into 1977 and that their next phase would take into account industry's views.

While the present phase of the anti-inflation policy was based on a national desire to beat inflation, the next phase might well be based on the rallying cry of improving industrial investment and reducing unemployment.

The CBI has yet to make clear its own views on the next phase of policy in August. It has accepted the case that any policy to reduce inflation requires a long-term policy over several years and in its present mood it seems to accept reluctantly that the next phase will include price control and flat-rate pay increases.

Hard winter ahead but Britain can win through—Barnett

FINANCIAL TIMES REPORTER

BRITAIN IS in for a hard winter, Mr. Joel Barnett the Chief Secretary to the Treasury, said last yesterday.

The Government was absolutely determined to reduce the rate of inflation to a level no higher than that of our main competitors and to keep it so, he told the Association of Health Service Treasurers in London.

"The battle is nowhere near won. We can count on a hard winter. The future is bleak and there can be no grounds for complacency—even if we succeed in reversing the inflation-trend."

Public sector borrowing was in excess of £9,000m. and there was pressure to reduce taxes, but to do that would mean even greater burdens.

He was constantly told there was room for manoeuvre on the expenditure side and exhorted to cut public expenditure, but he wondered who would volunteer to cut in the Health Service, for example.

"I am bound to say that my way of cutting public expenditure—and it has got to be cut, by rate from 1977 onwards—is not made easier by bogus claims of public expenditure being out of control.

"That is just a smokescreen behind which root-and-branch opponents of public expenditure are pressing their cases against the Government's priorities and, therefore, its deliberate and conscious spending programmes."

Mr. Barnett emphasised that the immediate future was bleak "but, when our fellow countrymen really fully understand the realities of our present position and all the depressing facts, I have no doubt that they will win the battle as our countrymen have won a different sort of battle in years gone by."

Philip Rawstorne writes: Sir Geoffrey Howe, the Tory "shadow" Chancellor, last night called for "a decade of common-sense" in Government tax policies.

"Britain's tax system is far too complex. Businessmen are bewildered by our fiscal labyrinth," he said in a speech at Croydon.

"No ordinary citizen can understand the confusion. Ten new taxes in ten years have reduced many taxpayers to gibbering resentment."

Sir Geoffrey made it clear that the next Conservative Government would adopt a deliberate and cautious approach to tax reforms and said there was now a very strong case for a period of reasonable stability.

"It is the accumulation of taxes which is so damaging," he added. Excessive taxation has been advanced by stealth and threatens to strangle enterprise."

Design award for Belfast newspaper

By Lorne Barling

THE SUNDAY NEWS, Belfast, was named yesterday as the best-designed regional morning or Sunday newspaper of 1975 in the Newspaper Design Awards.

The newspaper—Belfast's only Sunday, with a circulation of about 95,000—was described by the judges as "a vigorous, enterprising, innovating reflection of the market it serves."

The winner in the evening newspapers class was the Liverpool Echo, but generally there was criticism of the evening paper entries for lacking flair, style and imagination.

Among the weeklies, the Southend Standard won first place after being on the commended list last year.

The new Allen Hutt award "for some special contribution in the field of newspaper design" went to the Evening Echo, Watford, for its Weekender television and entertainments pull-out.

Mrs. Thatcher visits Ulster

MRS. MARGARET THATCHER, leader of the Conservative Party, yesterday visited Northern Ireland and had talks with leaders of the political parties.

She said afterwards that the visit was intended purely to give her an insight into the Northern Ireland situation.

Jan. 5 is vital day for Concorde's hope of U.S. rights

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

THE U.K. and French Governments are expected to prepare a lengthy new submission on Concorde for presentation to the public hearing on the aircraft in Washington on January 5. that will finally settle whether or not the aircraft gets permission to fly into and out of the U.S.

The two governments, and the Concorde's makers, British Aircraft Corporation and Aérospatiale, are studying in detail both the final Environmental Impact Statement on Concorde, published by the Department of Transportation on Thursday, and the comments on the aircraft by Mr. William Coleman, Secretary for Transportation.

The immediate reaction is that while there must be disappointment at the further delay involved in authorising Concorde flights to and from the U.S., the EIS itself is fair, setting out in several hundred pages both the pros and cons of Concorde, and avoiding any conclusions.

The impression from both the EIS and Mr. Coleman's own comments, however, is that noise at take-off and landing is likely to be the biggest hurdle to overcome, and that it will be up to the Concorde lobby to disprove the claims that it is too noisy to be acceptable.

At the one-day public hearing, each side will be given three hours in which to make statements and submit evidence, with no debate being permitted. On those statements. Mr. Coleman and the U.S. Government will decide within 30 days of the hearing whether or not to approve Concorde.

January 5, therefore, will be the most critical day for Concorde's chances of winning U.S. rights, and every effort will have to be made by the two governments and the manufacturers to try to clinch the argument in Concorde's favour, against formidable and strengthening opposition.

Meanwhile, the U.K. and French Governments will be maintaining their diplomatic pressure on the U.S. to win a favourable decision.

It is recognised that in view of the strength of the attack on the aircraft by the various environmental groups, especially around Washington's Dulles and New York's Kennedy airports, every means of promoting Concorde's chances must be adopted.

It is believed in Washington that the U.K. and French Governments, as well as the manufacturers, may have underestimated the strength of the anti-Concorde lobbies in the U.S., and especially their influence on the Senate and House of Representatives.

At the same time, Mr. Coleman himself, at his Press conference in Washington, clearly felt uncertain about the wider implications of any ban on Concorde.

"We have no obligation to admit any aircraft that does not meet standards or has a serious effect on our environment," he said. "But we have an absolute obligation not to discriminate against foreign airlines."

Coats Patons plans more Country Casual shops

BY ELINOR GOODMAN

COATS PATONS is to increase the number of its Country Casual shops by half over the next two years. It is to open another 25 branches of the women's separates shops it started in 1973 in premises previously occupied by some of the Bellman wool shops.

This week Coats which announced reduced first half profits of £16.2m. against £24.9m. said it was very satisfied with Country Casuals. It already operates 59 Jaeger stores throughout the country, but until now Country Casuals have been situated mainly in provincial towns.

The expansion drive will take Country Casuals into central London for the first time. Some of the new branches will be "shops within shops"—the type of franchising operation Coats already operates with Jaeger.

Country Casuals, which have a turnover of about £3m. a year, sell women's separates and are intended to appeal to older women rather than the high-fashion youth market. Prices are lower than those in Jaeger, although the company is trying to promote a quality, "value-for-money" image for the new chain.

In addition to its Jaeger shops in Britain, Coats Patons has three Jaeger stores in France, one in Copenhagen and five in the U.S.

Work goes on to clear harbour pollution

By John Wyles

WORK will continue over the week-end in an attempt to clear an estimated 100 tons of oil which has drifted into Folkestone harbour after the collision between a British frigate and a large oil tanker in the English Channel on Wednesday.

About 3,000 tons of oil spilled into the Channel and urgent efforts over the past three days have cleared the pollution at sea.

Some slicks drifted ashore on the Kent coast and beach clearing work between Folkestone and Dungeness is expected to take several days.

The placing of a boom across Folkestone Harbour on Thursday was too late to prevent the drift inwards of a large slick which has put the harbour out of action.

"Skimming" boats, which absorb the oil then pump it into quayside tankers, are expected to have removed most of it by Monday or Tuesday.

No estimate was available last night of the cost of the cleansing operation along the coast and in the Channel, but fishing vessels, tugs and Navy ships have been dealing with a potentially serious threat to Kent beaches.

The spillage occurred when the frigate Achilles was in collision with the Olympic Alliance (216,441 tons) in fog seven miles from Cap. Griz Nez.

Germans test plan to cut car pollution

BASF, the West German chemical producer, is conducting tests to see if the pollution problem caused by adding lead to petrol can be avoided by using a mixture of petrol, methanol and water.

All cars of even moderately high performance—those that run on three to five-star petrol—have lead added to the fuel to raise the octane rating and prevent engine pinking.

Concern is mounting, however, about large amounts of toxic lead being pumped into the atmosphere, and lead in petrol makes it much more difficult to reduce other exhaust pollutants.

Under the BASF tests, a 100 mph-plus Volkswagen Scirocco has already run 20,000 of a planned 40,000 miles to see if the water mixture produces corrosion problems or affects the car in other ways.

Benn's visit to U.S. meets opposition from his colleagues

BY RAY DAFTER

MR. ANTHONY WEDGWOOD Benn, Energy Secretary, still at the centre of a storm over a cancelled Ministerial broadcast on Thursday, may be facing fresh controversy with his intended visit to the U.S. early next month.

Many of Mr. Benn's colleagues oppose hte visit. It is felt by some in Whitehall that the moderately good impression achieved in the U.S. by the Government's latest industry strategy, which came out of the recent Chequers talks, might be reversed by statements about Government plans for further participation in North Sea activities.

In the U.S. some oil executives feel that Mr. Benn will be unable to provide any fresh information about North Sea plans until the British National Oil Corporation is fully constituted. Mr. Benn, on the other hand, has said that he wants to reassure companies about Government intentions now that the Petroleum and Submarine Pipe-lines Bill has been passed and the period of uncertainty is over.

Mr. Benn yesterday released the text of the broacast which he cancelled on Thursday after a disagreement with BBC executives. He was asked to rewrite the speech to make it less controversial, but refused.

A suggestion that Mr. Benn refused to allow the Opposition the right of reply to the broadcast was denied by the Department of Industry. It said he had no power to do so because the conditions of Ministerial broadcasts were covered by an all-party agreement.

The controversy continued when Mr. Patrick Jenkin, "shadow" Energy Minister, challenged Mr. Benn to a television debate on the "damaging and irrelevant" oil policy.

The text shows that Mr. Benn was not aiming to be particularly controversial. He had planned to tell viewers that almost every other country in the world which had found oil had followed a similar policy to defend and safeguard national interests.

"We are absolutely determined to stand up for our national interests. The future of our country and people requires it. We are negotiating with the oil companies in good faith and I think that they understand our determination to see that the British people get their share of the benefit. The discovery and development of oil off our shores is one of the most hopeful things that has happened to Britain for a long time.

The message was taken up again last night when Mr. Benn spoke at a Labour Party dinner in Worksop. Britain faced its worst economic crisis since 1931 and, as such, faced a choice between two national futures, he said.

Report forecasts higher North Sea oil revenues

NORTH SEA OIL could make an £11.5bn. contribution to Britain's balance of payments over the next five to six years, according to a new industry report.

With oil now being piped ashore from the U.K. sector the contribution this year is expected to be around £385m. Next year it should be nearer £1bn. and by 1980 could well be running at £3.6bn., based on an oil price of $12 per barrel.

Forecasts, from industry analysts Wood Mackenzie, suggest that Government revenues from oil developments could total £4.3bn. between now and 1980. This is considerably higher than the £2bn. to £3bn. forecast by Mr. John Smith, Energy Under-Secretary, earlier this week.

The Wood MacKenzie figures take account of probable fields like Andrew, Brae, Maureen and Magnus, as well as existing commercial finds.

The group's report concludes that North Sea oil should start making a positive contribution to the current account from 1977, taking into account capital imports, debt servicing and remittance of earnings associated with investment.

The development of North Sea oil is also expected to bring a substantial inflow of capital to the U.K.; averaging about £900m. between 1975 and 1978. It is argued that British companies will be contributing a greater share of the equipment and services as time goes by.

This year imports as a percentage of total North Sea capital expenditure is thought to be around 46 per cent.; by 1980 imports could have dropped to just 31 per cent.

HOME NEWS

Steel output 13% down on year ago

FINANCIAL TIMES REPORTER

THE LATEST figures on U.K. steel production and consumption show little sign of relief in the present acute depression in demand, although there are some hopes that the lowest point may now haveb een reached.

According to the latest steel industry statistics, steel production during October, at 397,900 tonnes a week, was more than 13 per cent. below the level of a year ago, while the averages for the first 10 months of the year, at 386,800 tonnes per week, were 10.5 per cent. below the same period in 1974.

At the same time, provisional estimates for steel consumption and stocks released by the Department of Industry yesterday showed that consumption of finished steel in the third quarter of the year was 3.39m. tonnes, about 14 per cent. less than the same quarter in 1974.

The picture from both the industry and the Government's figures is one of a continued draw-down of stocks by consumers and merchants, which could well continue into next year.

Government estimates suggest that consumers reduced stocks by 0.21m. tonnes during the third quarter while stockholders reduced their high level of stocks by 0.08m. to 0.95m. tonnes.

Deliveries from U.K. producers to consumers and stockholders during the period were estimated to be at around 2.41m. tonnes, with a further 0.69m. tonnes of imports.

Should the high rate of draw-down in stocks continue through the rest of this year, as the industry appears to expect, then there seems little immediate prospect of any real recovery in production by either the private or State industry in Britain.

Adrian Hamilton writes: The British Scrap Federation appears to have given up any attempt to fight the British Steel Corporation's plans for rationalising the number of direct suppliers of ferrous scrap.

It remains hopeful, however, that some form of compromise agreement can be reached on BSC's more contentious proposals that secondary suppliers should sign three-year contracts to allow accredited direct suppliers to market all their supplies, whether sold to BSC, the private sector, or exported.

BP takes over oil terminal construction

BP has agreed with the Sullom Voe Association to take over from Shell as constructor of the crude oil terminal at Sullom Voe in the Shetland Islands.

The terminal will handle production from the oil fields connected to the Brent system and from the Ninian fields, which will be linked to the Shetland Islands by two 36-inch submarine pipelines.

Largest

The Sullom Voe Association has been formed by the Shetland Islands Council, the operators of the Brent system and Ninian pipeline group, Shell U.K. and BP Petroleum Development, with the council holding 50 per cent. of the shares, and Shell and BP 30 per cent. and 20 per cent., respectively.

The Sullom Voe terminal, which will be the largest in the U.K., is estimated to cost over £300m., and initially will handle 1.2m. barrels a day of crude oil.

NatWest's stake in Chartered sold for £22.8m.

BY MICHAEL BLANDEN

NATIONAL WESTMINSTER Bank has sold its 8 per cent. stake in Standard Chartered Bank, the London-based overseas bank, for some £22.8m.

The shares were offered to Midland Bank, which earlier this year built its interest in Standard Chartered up to around 16 per cent. with the purchase of the stake formerly held by Chase Manhattan Bank. After Midland had turned down the opportunity to increase its shareholding further, the NatWest shares were placed with some 150 institutions through the market.

The placing was handled by Orion Bank, the consortium banking operation in which NatWest has a major interest, in conjunction with Cazenove and Co. A total of 4.78m. shares was placed at a price of about 477p a share.

Legislation

NatWest said its move should be see in the context of "the changing pattern of international banking and the expansion of the businesses of both banks in the U.K. and overseas." In particular, retention of the shareholding could prove incompatible, the bank said, with the growth of its business in the U.S.

NatWest recently announced a strengthening of its management in the U.S. to build up a business there. Its shareholding relationship with Standard Chartered goes back some [illegible] years, with shareholdings built up in various ways; and NatWest is Standard Chartered's clearing bank while the overseas bank has in turn acted as its agent abroad.

It seems probable, however, that Midland's acquisition of a larger stake and its plans to develop a closer relationship, as well as NatWest's own ambitions abroad, have changed the situation.

Midland's decision to turn down the chance to raise its stake further could also be related to possible complications which could arise in its own international relationships as well as the feeling that its present 16 per cent. stake is enough at the moment.

In particular, Midland's involvement in the U.S. through its 20 per cent. interest in European-American Banking with its EBIC partners might present problems in relation to U.S. banking legislation and the attitude there to foreign banks. Chase Manhattan's sale was forced on the bank because of rules against operating in more than one State.

BICC to pay £5m. to buy its way out of smelter

BY RHYS DAVID

BRITISH INSULATED Callender's Cables is to pay £5.25m. to buy its way out of the loss-making Anglesey Aluminium plant in which it holds a 19 per cent. stake.

Rio Tinto-Zinc, one of the other partners, is also to make a payment of £1.25m. to the company to reduce its stake from 47 per cent. to 33 per cent. in a major restructuring operation which will leave the third partner, Kaiser Aluminium of Oakland, California, with 66 per cent. of the shares.

The deal enables BICC to get out of its expensive commitment to buy metal from the plant in proportion to its shareholding, under a contract which, it emerged yesterday, was due to last until beyond the year 2000.

BICC, which last year had total sales of £782m. in cables and construction activities around the world, entered the project at a time when it appeared that a major shift would take place in the metal used for cable operation, from copper to aluminium, leading to a shortage of aluminium.

This has not happened, however, and at a time when the prospects for copper prices and availability have improved, BICC has found itself locked into a contract which obliges it to buy aluminium at above market prices.

The company, which has been using about 25,000 tonnes of aluminium a year—substantially less than its copper usage—will now buy on the free market at the most advantageous price.

BICC originally had a 27 per cent. stake in Anglesey Aluminium which last year increased its share capital from £15m. to £20m. but subsequently reduced this to 19 per cent.

The deal leaves Kaiser which previously had a 33 per cent. stake in the plant with the responsibility of cutting back on the substantial losses incurred by the plant since it began operations in 1971.

The works, built at a cost of more than £50m., has made losses estimated at more than £13m. in its first three years and is expected to make a further loss during the current year. It has been hit by labour problems and interruption of power supplies and was only beginning to overcome these and reach full production capacity when demand for aluminium fell off as a result of the world recession.

It is at present working at only 60 per cent. of capacity and has built up stocks of 28,000 tonnes.

The deal is the second Kaiser has negotiated in Europe since the beginning of this month and follows the company's agreement last week with Preussag, the West German industrial group to take over complete control of the troubled KAPAL 71,000 tonnes a year primary aluminium smelter and fabricating plants, previously jointly owned by the two companies.

Jobs of 300 ESU members 'at stake'

BY OUR LABOUR STAFF

ANOTHER 300 members of the small Electricity Supply Union, which is fighting a closed shop agreement in Britain's power stations, are in danger of losing their jobs, according to the unions.

Mr. William Sarvent, the general secretary, was in London this week to take counsel's advice on a hearing early next month for six of his members dismissed at Ferrybridge "C" power station, Yorkshire, for not joining recognised unions.

He said that the future of members at other power stations could depend on the result of the hearing, which will decide whether the "Ferrybridge Six" have been fairly dismissed or not.

The six say that under the Trade Union and Labour Relations Act, implemented last year, they had reasonable grounds for not agreein gto join one of the four unions recognised by the electricity supply employers in the closed shop agreement.

The refusal of the Lords this week to pass the Government's Amendment Bill—which would leave only religious objection as a ground for not joining a particular union—has not affected the case.

Lifeguard: Actuaries to prepare report

BY STEWART FLEMING

INDEPENDENT consulting actuaries Bacon and Woodrow have been called in to prepare a valuation of the assets and liabilities of Lifeguard Assurance, the life assurance company associated with Lloyds of London insurance brokers, which ceased to take on new business ten days ago.

Bacon and Woodrow's report will be designed to determine how much new capital is required for Lifeguard, which has 120,00 policyholders and assets of £35m. Already, however, tentative approaches are being made to major Lloyds brokers who are not shareholders in Lifeguard to see whether they can be encouraged to contribute to the rescue fund for Lifeguard.

It is being pointed ou to them tht only 40 per cent. of the Lifeguard equity is now owned by identifiable corporate organisations associated with Lloyds such as brokers C. E. Heath, J. H. Minet, Alexander Howden, Bland Payne, Sedgwick Forbes, and Hogg Robinson. Thus, it is argued, for the good of the Lloyd's name, the Lloyd's broking community in general, as well as its major shareholders, should be asked to support Lifeguard.

No firm decisions are expected until the Bacon and Woodrow valuation has been prepared and an accurate figure for new capital is arrived at. The report is expected within the next few days.

Query on GLC industry plans

The overspill town of Wellingborough in Northamptonshire has called for the Greater London Council to clarify its expansion plans following an announcement that, because of high unemployment in London, the GLC is to give priority to relocating industry within the capital.

Cadbury sells soya bean meat substitute

CADBURY TYPHOO is to be the first company in the U.K. to launch a canned soya bean meat substitute which acknowledges its vegetable origins in the brand name. It is to launch Soya Choice mince and meat casserole chunks in the South-East in January.

Though the Nestle subsidiary, Crosse and Blackwell, is already selling a soya-based granule product which can be used to eke out real meat, Cadbury Typhoo is the first company to put a major advertising campaign behind a soya-based product which can be eaten straight from the tin without the addition of meat.

Women given equal rights

By John Elliott, Labour Editor

WOMEN will have equal rights with men at work from December 29 as a result of a Commencement Order made by the Home Office in the wake of the Government's Sex Discrimination Act receiving Royal Assent on Wednesday.

On the same day the Equal Pay Act, 1970, becomes fully operative.

The Sex Discrimination Act also outlaws discrimination on grounds of sex or marriage in the provision of housing and goods, facilities and services to the public.

£6 claim endorsed by NUM

By Roy Rogers, Labour Correspondent

MINERS LEADERS have endorsed a claim for £6 a week pay increases. It will be lodged immediately with the National Coal Board to allow negotiations to open in readiness for when the present agreement expires next March.

This decision, taken by [illegible] votes to 9 on the National Union of Mineworkers' executive on Thursday, should set the scene for a peaceful settlement of miners' pay negotiations this winter, although NUM militants are certain to remain alert and can be expected to press for bigger increases should circumstances alter to their advantage.

The militants, led by Scottish miners' leaders, argue that the union should press for the increases of up to £39 a week set as "targets" at the union's annual conference earlier this year.

Moderates on the other hand maintain that the union is bound by the three-to-two pit head ballot majority supporting the Government's £6 pay policy in August.

They were joined, in this stance by Mr. Arthur Scargill, the militant Yorkshire miners' leader. He led the opposition to the £6 policy at the annual conference, where he fell out with the powerful Communist element in the NUM.

FINANCIAL TIMES REPORT

Saturday November 15 1975

PERSONAL INSURANCE

Third-party vehicle insurance or the house fire insurance required by building societies when granting mortgages are familiar examples of personal insurance. But many people are ignorant of its full function—particularly in times of rapid inflation like these.

The need and the choice

By Eric Short

HE FIRST question to be answered in personal insurance the very basic one of why insure in the first place. Motor insurance is the only legally required insurance. In almost very other form the choice is ft to the individual as to hether he insures or not. What ctors does he need to bear in ind in deciding this question? There is one straightforward ecision to be made. Can the individual stand the financial consequences of an unforeseen vent—fire or theft in his house, accident or even death. Few us are really in a position stand such losses and to inre against the risks seems gical. Yet in general many ople are either underinsured not insured at all for many sks.

It is understandable enough hy people do take out insurnce. For example, the chance a house catching fire is less an one in a thousand. There are those who will gamble on much higher odds than that and with substantial sums. At such odds most people who take out fire insurance will never make a claim on their policy. I have not made a claim on my fire insurance in 20 years.

But if one is in any doubt as to the financial consequences of an unforeseen event, it is only necessary to look at the case history of a claim with an insurance company where there was considerable underinsurance to see just what hardship can arise. The September issue of Money Management quotes a newspaper report of the floods in North London earlier this year where an individual had cover for £200; repairs to the damaged colour TV alone were at least £100.

Unforeseen

If individuals do not wish to take the prudent course and have adequate insurance, then they should be fully aware to the consequences of the alternative and at least not moan if the unforeseen does happen. The chance of a fire, although small, is not nil. The decision not to insure must be taken consciously and not, as usually happens, by default.

The next problem is what to insure against. The concept of risk is one that is not readily understood by the layman. Some risks are obvious—the risk of theft is readily understandable and, sad to relate, is a growing one. But how many people appreciate the need for insurance against being permanently disabled. The number of such people who take out permanent health insurance is very small, but fortunately growing, yet the risk of being disabled is far higher than that of having your house catch fire.

The obvious risks to cover are house and contents, the car, personal effects on the non-life side. Life assurance is a risk that should be covered and equally important is permanent disability. The types of covers in both life and non-life are described in subsequent articles in this survey. The use of life assurance, in particular, can be complex to explain to individuals.

The need for special cover at specific times should always be borne in mind. One such case is the need for travel insurance, especially if going abroad. Another being used more and more is the medical insurance policy to meet hospitalisation costs. This latter cover is not essential since medical treatment is virtually free under the National Health Service. But for individuals who prefer to use private medical facilities when they are ill, a medical insurance policy is advisable considering the current charges for private beds.

The final problem facing the individual regarding insurance is how much to insure. This problem has been greatly exacerbated by the rapid rate of inflation. The simple answer is that the complete insurance should meet the total financial loss that the individual would suffer in the event of the unforeseen happening. For instance, the fire insurance on the house should meet the costs of complete rebuilding in the event of a fire.

Indemnity

In this area, the practice of insurance companies has undergone a radical change in the past few years. Insurance claims have in the past been based on the traditional age-old priciple of indemnity. Briefly, this means that a policyholder cannot be allowed to profit from a loss. For example, if a five-year-old carpet is ruined in a flood then under this princple the policyholder could only claim the value of a similar five-year-old carpet.

For if the policyholder received a brand new carpet he would have made a considerable profit out of the flood. This principle is not readily understood by the public and in any case the policyholder in the above example had to buy a new carpet to replace the one destroyed. Since under this principle he received only the cash value of a five-year-old carpet, he lost money because of the flood. But it was to avoid losing money that the insurance was originally taken out.

Insurers in the past few years have altered their practice to meet the requirements of the public by paying out the full replacement cost of the items destroyed (subject to certain conditions) irrespective of the age or condition of those items. This type of insurance is known as providing "new-for-old" insurance cover.

Thus it is essential for policyholders on renewing their policies each year to ensure that the value placed on the cover is brought up to date to allow for inflation. This would appear obvious on the grounds of receiving the full value of the items to be replaced—but there is an even more pressing reason.

Most buildings and contents policies contain a "full value" clause, which puts the responsibility on the policyholder to insure for the correct amount. If the policyholder has not done this, then when he makes a claim he will find the amount paid out by the insurance company scaled down in proportion to the amount of underinsurance.

Yet most people do not keep their insurance up-to-date sometimes through sheer inertia, sometimes because they cannot see that they are getting any tangible result from their outlay. General Accident has taken the revolutionary step of making inflationary increases on their home policies automatic unless the policyholder states otherwise, making the inertia work for once in favour of the policyholder.

This highlights the lack of public understanding of insurance, what it provides, what it costs. The insurance companies have tended to operate very much on a take-it-or-leave-it basis, but there are encouraging signs that some of them, together with the British Insurance Institute, are telling the public more about insurance and talking to sixth forms at school.

But insurance is a complex business and policyholders should always understand what they require and what they have got on their insurance contracts. In many cases advice is necessary; where can they get it? One very important source is the insurance broker. Insurance, however, is sold rather than bought and with the returns on individual general business rather low, the broker does not actively seek customers. Rather have the public to make the first approach.

But there is no doubt that the service that can be obtained from the well-established high street provincial broker is good even for the most mundane run-of-the-mill house policy. They know the general market and are able to assess a client's needs usually far better than the client himself. In particular they can assist him at the time of renewal to reassess the cover required. But above all when a claim has to be made they can take the burden of work and worry off the policyholder. Dealing with general claims can be a tiresome business.

The biggest asset of an insurance policy is the peace of mind that goes with it. Insurance brokers can materially assist in making sure that the individual has the right insurance. The question that the public should ask themselves on the whole question is not whether they can afford to, but whether they can afford *not* to have insurance.

Varied means of life cover

GETTING the right balance between protection and investment has always been a problem for the individual where life assurance is concerned and it must be admitted that the industry itself has helped to keep him confused over the years. This is partly because the commission arrangements between the companies and their agents have made it more profitable for the latter to sell investment-orientated policies and partly because of the use of anachronistic terms to describe the policies which are being sold. The "whole" life and "with profit" endowment are examples of terms which are familiar to most laymen but are parroted rather than understood.

However, in recent years more emphasis has been laid on the protection aspect of life assurance, the commission rules are in the process of being changed and more sophisticated packages which incorporate protection have been developed. There is certainly much more variety nowadays than just the straight choice between whole life and a with-profit endowment.

The anachronistic terms are still in use, however, and it is interesting to see that the Life Offices Association's explanatory booklet for young people uses them throughout. Some of the advice is also questionable, for there are no absolute answers to problems. In the section on how to plan it states that the important thing is to take out life assurance sensibly and in the right order. This means that what a family needs in its early days is the widest amount of cover that limited resources

CONTINUED ON NEXT PAGE

PERSONAL INSURANCE II

Checking cover on house and car

THE FIRST contact that most people have with insurance—life or non-life—is when they take out a motor policy. In some ways this can be a misfortune because since this is a legal requirement they tend to regard it in the same way as they regard the motor vehicle licence, simply as a piece of paper that has to be obtained before they can take their car on the road.

Individuals should give similar consideration in selecting their motor insurance policy as are given to any other form in insurance. But too often it is a case of getting the necessary cover at the cheapest premium. This attitude has led in the past to the mushrooming of motor insurance companies selling cheap policies.

The troubles of some of these companies—the most notable being Vehicle and General—did make the public aware of the need for choosing an insurer that would not go bust. But in far too many cases people looking for motor insurance still do not know what their motor insurance requirements are and if they do then rarely bother to check whether the policy does provide that cover.

The rapid rise in motor insurance premiums, especially for comprehensive cover, has resulted in many people taking out the minimum insurance required by law. The reason for this was simply that they could not afford the increased comprehensive policy premiums. Now that claims are arising some people are finding out the hard way that having been involved in an accident with no cover they cannot afford to buy a new car.

With motor insurance it is very much a case of: "Can I afford not to have comprehensive cover?" The consequences can mean not being able to drive at all. So for individuals the first decision on motor insurance is between the full comprehensive insurance that will protect them against accident or the third party fire and theft. They should think very carefully before rejecting the former, despite the rising cost.

Premiums

If premium cost is all-important then it can pay to shop around the various insurance companies and Lloyd's syndicates for premiums. The person to seek is an insurer that has not put up its premium rates for some months, because the odds are that a rate increase is in the pipeline. Motorists should remember that whatever they find, and insurance brokers can be very helpful here, they will still be paying at least 25 per cent. more this year than last, possibly much more.

The other main non-life insurance with which most people come into contact is that of insuring the house. In this area, the insurance is divided into two parts, the building itself and the contents. Insurance of the building itself is almost invariably one condition of getting a mortgage. But there are some important differences between a house insurance and a motor policy.

On the latter, the sum insured is determined by the vehicle itself and the price paid. With house insurance the individual has to state the sum insured and this can cause considerable concern. For instance, in my own case for my motor insurance I just state that I own an Austin Maxi 1500 bought 15 months ago for £1,600 and the sum insured is determined automatically. This sum has little bearing on the premiums charged or the amount paid out in any subsequent claim.

For my house insurance, it is of little use stating that I live in a three-bedroom detached bungalow built 16 years ago to which I have made several alterations. I have to state what the sum insured is to be. For the buildings policy, the sum insured should be the cost to rebuild the house should it be completely destroyed. The penalty for underinsurance can be that any claim on the policy will be scaled down in proportion to the underinsurance.

Yet I have no clear idea what it would cost to have my bungalow rebuilt. One estimate would be to take the current sale value, deduct the worth of the land and get a figure for the value of the house. This method is straightforward, but could differ by as much as 15 per cent. from the rebuilding costs.

Another method involves ascertaining the total footage of the building to the nearest 100 square feet and allow £15 per square foot for the rebuilding costs, to which is added the fees of the architect and surveyor. Again this will give an approximate figure to the value of the house.

This is one area in which insurance companies could give considerable guidance to policyholders. They could spell out much more clearly what they regard as being "fully insured." A local guide to house rebuilding values would be useful.

Turning to insurance of the contents of the house, the policy in general covers everything in the house itself, including outbuildings such as the garage or tool shed. Confusion often arises as to whether the TV set, the deep freeze or valuable jewellery is included in the contents policy or whether separate cover is needed.

The usual practice of insurance companies is to put a single article limit in their contents policy. If the items listed above fall within this limit then they are covered. There could, however, be certain provisions in the contents policy that would exclude such a claim. It is even more essential to read the policy conditions very carefully. One insurance broker I spoke to said that he lists out fully for his clients what is and is not covered in the contents policy.

All claims on such a policy are based on current replacement costs. So to determine the sum insured the individual should find out the present shop prices of every item covered in the policy. This is a chore, but one that needs to be done. Many insurance companies try to help by providing a check list of likely contents.

The cover on both house and contents policies should be updated each year to allow for inflation. Otherwise the individual is automatically underinsured by default. The move by many companies to link the sum insured to an index (the type varies) is a welcome move, since it saves the individual the task of a yearly revaluation.

A recent innovation by some insurance companies and brokers is to put all the main individual non-life insurances in one package. This has the dual advantage of checking insurance requirements very quickly and paying the premium in one sum instead of in bits throughout the year. There are facilities to use credit cards, so this lump sum requirement can be spread over several months.

But at all times the individual should check that his insurances do meet requirements. Advice from an insurance broker or an insurance company representative can be very useful in this respect. An article such as this can deal only briefly with the main points that an individual should consider in deciding his non-life insurance needs. These can be summed up as getting the right cover for the correct amount on the best possible terms, and checking the position regularly—once a year is desirable.

Eric Short

Life CONTINUED FROM PREVIOUS PAGE

can buy. Alternatively a teenager without dependants or an older person in the same position has very little need for protection (the latter is my own view).

The conclusions that the LOA reaches therefore is that the young man with a family should go for a whole life policy—preferably with profits—as his first venture. For those who do not know "whole life" is a kind of lengthy term policy with a return of premiums on death plus bonuses if it is taken out on a with profit basis. It is more expensive than term assurance (which offers straight protection with a high sum assured over a given period), but offers some return at the end. Then the LOA reckons that a mortgage protection policy (which is really term assurance) rates high on the list followed by "family income" insurance.

This is all very sensible, though possibly a bit more term assurance and less whole life might be a sensible variation on the protection theme. One recent innovation in term assurance was the index-linked convertible term launched recently by Legal and General. Another desirable sort of protection which has been ignored in recent years (unless sold expensively as a hospitalisation plan) is permanent health cover. The actuarial tables show that up to age 65 one is just as likely to be permanently disabled as to die and there can be very little which would be worse than watching one's family sink into penury from a wheel chair—especially if one were loaded with all sorts of life protection policies.

A scheme which answers this problem in a combined savings and permanent health package is the recently launched Health and Wealth Plan from Target Life which also has the advantage that the whole premium qualifies for tax relief (not usually the case with permanent health cover).

Finally the extent of the protection one needs via life assurance is also dependent on the level of benefits provided under one's pension scheme. A man without a pension needs more life assurance than someone who has been 20 years in a safe job and is intent on coasting home to retirement without major changes. But life is not entirely predictable and it is useful to have a spread of protection—especially since permanent health is seldom included even in the best pension schemes.

Savings

When it comes to saving through life assurance, the public has already been well-conditioned about the advantages of securing tax relief on premiums and the traditional virtues of the "with profits" endowment policy. This gives relatively low life cover but a high savings content. Moreover, the maturity value is built up over a period of years by a series of bonuses which once awarded to the policyholder cannot be taken away. Many companies have also introduced a practice of paying a terminal bonus representing the capital gains which have been achieved over the years—and fortunately have not yet got round to making terminal deductions.

This is the conventional life assurance savings product but a great deal of progress has been made by unit-linked products over the past 10 years. The essential difference between unit-linked and conventional products is that although the policyholder is liable to do better if the chosen linkage does well over a period of years he is also at greater risk if the investment vehicle does not live up to its promise.

For the regular premium policyholder who wishes to save over a period I would recommend a mixture between endowment and linked policies, choosing a variety of companies. As with most things, it is safer to have a spread. Where single premium business is concerned, however, unit-linking tends to be centred around the "new" life companies and here again it makes sense to have a spread of vehicle and company. A large capital sum especially is best split into several parts rather than placed with one company or one product.

Specific

Then one comes to the question of use of life assurance for specific purposes. Taking out a policy with a specific objective in mind has been gaining ground in recent years—mainly because of the increasing complication of the tax system and the need of people of modest means to spread costs.

But in my judgment it was the IOS group which—despite all its failings—did most to convince people that life assurance need not be like locking money in a cell and throwing away the key. The Dover Plan might have been expensive but it did cater for the basic desire of people to see their money back within a given period—perhaps earmarked for a definite purpose.

Of course the most traditional form of "earmarked" policy is the endowment mortgage for house purchase, where the capital is finally repaid from the proceeds of an endowment assurance policy. There is a lot of dissension about whether the endowment mortgage is better than the repayment method, the main advantage of the former being that tax relief is constant over the term. But the repayments (even with low cost endowments) are higher and one wonders whether it might make more sense to buy a better house with the income available in earlier years. Endowment mortgages tend to make sense for the better-heeled purchaser.

The provision of school fees is also an area where life assurance has come to play an increasing role at a time of high inflation. The essential advantage is that the cost of the fees can be spread over a longer period than just the school years of the child and the parent also gains from the tax relief on the policy and bonuses.

Finally, the introduction of capital transfer tax has opened up a new field to the life assurance industry, the main point being that whereas estate duty was avoidable to a considerable extent, CTT is not. Therefore the use of life assurance is to provide the sum needed to meet the potential liability without the family needing to dispose of assets. However, this is a complicated area where professional advice is essential.

Christopher Hill

Spain to quit Sahara 'by February'

BY ROGER MATTHEWS

MADRID, Nov. 14.

SPAIN WILL withdraw from the disputed Western Sahara by February 28 next year and leave the territory to a provisional administration formed by Morocco and Mauritania, Information Minister Sr. Leon Herrera Esteban said here to-day. This is the basis of an agreement hammered out between the three countries in just over two days of talks which ended here this morning.

Until the Spanish withdrawal is completed, the three countries will take joint responsibility for the colony.

Nothing has formally been agreed about a referendum whereby the 70,000 indiginous population would have the right to decide on their own future, although Spain claims to be fulfilling the terms of UN resolutions on the issue.

The agreement is certain to lead to a major clash with Algeria, which earlier this week sent a tough note to the Spanish regime warning it against a sell-out to the Moroccans and Mauritanians.

Observers here were astonished that Spain should have reversed its policy on the Sahara again with quite such rapidity. Less than two weeks ago, it warned the Moroccans that any attempt to invade the colony would be repulsed by force if necessary, while simultaneously pledging at the United Nations that it stood four-square behind its often repeated policy of self-determination for the territory.

It now seems clear that King Hassan of Morocco agreed to call off the "Green March" by tens of thousands of civilians into the Sahara last Sunday—hailed here as a great diplomatic victory for the Madrid regime—because he had received Spanish assurances that a deal could be quickly struck.

The deal will also run into fierce opposition from the Algerian-backed Frente Polisario, the principal political organisation in the colony, which has been moving into areas abandoned by the Spanish Army as troops drew into the central zone, formed by the capital of El Aaiun and the Bu-Craa phosphate mines.

Semi-official sources said that a provisional agreement had also been reached on permitting Spain to recover its investment in the phosphate mines — potentially the world's largest — and that the Moroccans had guaranteed fishing rights off the coast for the substantial Southern-based Spanish fleet. There is also the possibility that Morocco has agreed to allow Spain to maintain a base in the Sahara to protect the nearby Canary Isles.

Consultations with the local population are expected to take the form of talks with political leaders and essentially those six who have seats in the Spanish Cortes (Parliament).

The Spanish Government is preparing to justify its withdrawal by blaming the UN for a lack of initiative and refusal to take responsibility for the territory's future. Three weeks ago, an agreement between the three countries had been virtually reached and was called off only at the last moment due to restlessness among the Spanish troops in the Sahara, the unwillingness of Prime Minister Carlos Arias to take full responsibility for it, and the threatening attitude of Algeria which even warned that it might cut off natural gas supplies to Spain. This threat may now be re-activated.

● Algiers: Algeria rejected any solution to the Spanish Sahara crisis in which it was not involved.

A Foreign Ministry statement issued after reports about the tacit agreement between Spain, Morocco and Mauritania, said Algeria could not depart from a position which had been determined steadfastly and fully consciously. Algeria could not ratify any solution whatsoever whose elaboration and application she was not associated with.

State steps in to save Montreal Olympics

QUEBEC CITY, Nov. 14.

THE Quebec government to-day took over construction and financing of major facilities for the 1976 Olympic Games.

Solicitor - General Fernand Lalonde told the Provincial National Assembly that an Olympic Installations Board would take from Montreal City the responsibility for construction of the trouble - plagued main stadium and the Olympic village.

He said the cost of staging the summer Games was now officially estimated at $1bn. With revenue estimated at about $400m., the Games face a deficit of $600m.

The costs for these projects were set originally at $250m., but inflation and strikes have increased them over the past three years. The last cost estimate, given in August, was $720m.

Mr. Lalonde, the Provincial Minister responsible for the Games, left uncertain what role the city of Montreal would play.

The new Olympic Installations Board will be granted power to borrow money to finance construction under legislation presented on Assembly Order Papers and which is expected to become effective on Tuesday.

Montreal City, under its dynamic Mayor Jean Drapeau, has experienced mounting problems in building the lavish 70,000-seat Olympic stadium and its supporting complex of swimming pools, cycling track and other venues for the games, and a pyramid-shaped block of apartments which will house 10,000 Olympic athletes.

For more than a year, in face of strikes, mounting construction costs and material shortages, there have been fears that the complex would not be finished for the games opening next July 17.

Reuter

Worker participation Green Paper sets out EEC principles

BY DAVID CURRY

BRUSSELS, Nov. 14.

A STRONG degree of worker participation in management was the only realistic basis on which the EEC could create a common framework of public company law; the EEC needed to create as urgently as it needed to build a "common market for companies" which were currently "imprisoned in nine divergent legislative systems quite different in shape and realities"; the convergence of company law was itself a vital stage in building a "common structural foundation" for the Common Market as it entered a period of sharpened economic, social and political tensions.

This basic philosophy was spelled out yesterday by the Danish Commissioner for the Internal Market, Mr. Finn Olav Gundelach, when he introduced the Commission's Green Paper on company structure and worker participation.

He declared: "We remain even more committed to the concept of worker participation than ever before. The economic crisis is not merely a conjunctural phenomenon: it involves a serious element of structural change.

"These fundamental changes cannot be carried out without the drastic radicalisation of our life, including worker participation at plant level" a need the Green Paper declares to be "the democratic imperative."

The Green Paper, which has been produced as a discussion document following intensive consultations with government, industry and union organisations, sets out to fulfil two objectives.

The first is to describe corporate structures as they exist at the moment in the EEC countries; the second is to explore, in the light of political realities, the options open to achieve the convergence of these systems, not necessarily by the same route, into a Community framework.

While containing no specific proposals, the paper is based on certain orientations, some deliberately provocative, with a view to stimulate debate before the Commission hardens its ideas into firm proposals in 12-18 months' time.

The paper focuses on two forms of participation in the shape of participation in representative institutions and workers on the boards. It steers well clear of collective bargaining.

Two basic principles—remaining intact from the original 1972 proposal for a directive on company structure—are a two-tier board system and worker representation on the supervisory board.

However, with a view to the laggards in worker participation, notably the U.K. and Italy, maximum flexibility in the form of a step-by-step approach to convergence is suggested.

Increase in U.S. output slower last month

By David Bell

WASHINGTON, Nov. 14.

THE RATE of increase in U.S. industrial production slowed down last month to 0.4 per cent., which will do little to reduce growing doubts here about the extent of the American economic recovery.

Although this increase is the sixth in a row, it compares unfavourably with the rise of 1.5 per cent. last month and 1.6 per cent. the month before. It follows a number of indications that the recovery may be running out of steam: the most recent wholesale price statistics have raised new fears about inflation, the employment figures were not as good as had been expected, and retail sales are still essentially flat.

To-day's figures show that industrial production is now 6 per cent. above the level in April. Increases in output were fairly widely spread with car production up 2.7 per cent., but output of iron and steel fell 1 per cent.

The statistics reinforce the feeling among some economists that part of the early surge in output may have been the result of re-stocking rather than increased consumer demand.

The cuts in production announced in the past few days by some of the major car makers, although not very large, appear to give added weight to the feeling here that the expected increase in consumer demand may be much smaller than first thought.

However to-day's figures, like the other indicators earlier this month, are not conclusive proof of anything, and next month's figures will be awaited with great interest.

50 trawlers 'still inside Iceland limit'

By Our Own Correspondent

REYKJAVIK, Nov. 14.

ABOUT 50 British trawlers were still inside the new 200-mile Icelandic fishing limits this morning. The British-Icelandic interim agreement giving the British the right to limited fishing within the old 50-mile limit expired at mid-night. The Icelandic coast guard stated this morning that it would "go slowly" against British trawlers and that they would first be warned that they were fishing illegally before further action was taken.

However, the coast guard said that it would not hesitate to capture a trawler if Icelandic gunboats were given the opportunity. The gunboats would then cut British trawler gear whenever possible if the trawlers were found fishing within the 200-mile limit. Icelandic Ministers have said that "no pardon" would be granted if, after a warning, it proved necessary to drive foreign trawlers outside the limits, cut their gear, or capture them. But Iceland and Britain are expected to have a new round of discussions with British Minister Mr. Roy Hattersley expected here during the week-end.

Icelandic Ministers have said that "there is no point in Mr. Hattersley coming to Iceland if he does not have new proposals to offer."

MPLA announces its government

BY JANE BERGEROL

LUANDA, Nov. 14.

THE PEOPLE'S Movement for the Liberation of Angola (MPLA) announced a seven-member government here to-night headed by Lopo de Nascimento, formerly on the presidential council which united MPLA, FNLA and UNITA before independence.

The new Prime Minister and his six Cabinet Ministers will sit on the revolutionary council, the highest State body alongside the President and military commanders.

Three key military leaders have also been given Cabinet portfolios—Commander Iko Carreira takes on defence, Commander Njto Alves the Interior Ministry, and Commander Dilolwa Rocha Planning and Economic Co-ordination.

The Foreign Minister is Jose Eduardo dos Santos, who represented MPLA last week at the fruitless Kampala conference when all three sides were brought together in a final attempt at reconciliation.

While the new Government was being sworn in, MPLA forces were engaged in an important offensive on the northern front against the FNLA around strategically crucial Caxito.

An FNLA armoured column, including White Portuguese and Zaire Army regulars, was decimated on Monday, military sources confirmed to-day.

The column was heading for the Kifandongo water pumping station, which supplies the capital's water supply, when it came under concentrated fire from MPLA heavy artillery.

The column, led by nine Panhard armoured cars and supplemented with around 20 army trucks transporting troops, turned tail, leaving around 50 dead.

Besides the bodies, including several Whites, and three Zairean soldiers, correspondents taken to the point yesterday saw American ammunition and Chinese uniforms on the dead.

The aim of the FNLA attack appears to have been to set up heavy artillery at Kifandongo and open fire on the outskirts of Luanda, now heavily populated black suburbs within reach.

If MPLA forces have already received a boost of morale from the Kifandongo battle, the effect of a capture of Caxito, coming after MPLA military victories along the strategic "coffee road" north towards Carmona deep in FNLA territory, would be significant, not only because it would offer clear evidence of MPLA military strength, but because it would secure a substantial MPLA con trolled zone north of the capital.

The reinforced anti-aircraft defence system around Luanda is already considered to offer full security protection to the capital and foreign reports of a bombing of the capital city are completely false.

On the southern front, a leading FAPLA (MPLA forces) commander at army headquarters this morning assured me that MPLA forces are still in control of both Porto Amboim and Novo Redondo, two key towns on the route from the south towards Luanda, which FNLA-UNITA forces claimed to have captured some days ago.

A radio broadcast from Lobito, monitored in Novo Redondo yesterday, gave official UNITA news of the death of over 120 UNITA soldiers who had entered the Lobito main army barracks which had been mined and packed with explosives by MPLA troops evacuating the city.

Smith for South Africa

BY TONY HAWKINS

SALISBURY, Nov. 14.

RHODESIAN Prime Minister Ian Smith left here to-day for a "short holiday" in South Africa.

An official statement gave no indication of his destination and it was thought unlikely that he would be seeing Mr. Vorster.

Mr. Smith's holiday is being taken during a lull in the settlement talks that he is holding with Mr. Joshua Nkomo, leader of the Rhodesia-based African National Council.

Mr. Nkomo himself is now in Zambia, en route for Tanzania on a 10-day long tour of neighbouring black States.

Meanwhile, Dr. Elliot Gabellah, acting president in Rhodesia of the Muzorewa ANC, returned to Salisbury to-day from Malawi, where he had a 90-minute meeting with President Kamuzu Banda.

Dr. Gabellah is scheduled to fly to Tanzania earlyl next week for talks with Bishop Muzorewa and then visit other African States to bring leaders up to date on what is happening in Rhodesia.

There is renewed speculation that President Nyerere of Tanzania will seek to arrange a meeting between Bishop Muzorewa and his team and Mr. Nkomo and his delegation next week.

In Salisbury, a spokesman for the United Methodist Church—headed by the bishop—said it was assumed that Bishop Muzorewa would return to Rhodesia after his prolonged absence to participate in the annual church congress in January.

J. P. Narayan 'under guard'

By Our Asia Correspondent

MR. JAYAPRAKASH Narayan, India's jailed opposition leader, is still under close guard more than two days after the Government announced that it had released the ailing, 73-year-old Sarvodaya leader on parole.

According to reliable sources in New Delhi, Mr. Narayan was never released at all. The Government had tried to impose conditions that he must not take part in political activity before it would free him.

Mr. Narayan, according to these sources, demanded an unconditional release and preferred to remain in prison—though seriously ill—rather than accept such terms.

The Government version of Mr. Narayan's "release" was different, but amounted to the fact that he was still under tight security. A Government spokesman said Mr. Narayan had been paroled unconditionally and he was "free to go where he wants and see who he wants."

But both security officials and doctors at the Government hospital at Chandigargh, capital of the Punjab State, 150 miles north of New Delhi, said visitors would be restricted "in the interests of his health."

Mr. Narayan has been dogged by ill-health for some years and suffers from diabetes and heart and kidney complaints. But in recent weeks his solitary confinement, alternating with bouts of hospital treatment, appears to have made his condition grave. Some of his supporters, indeed claim that doctors have given him only two weeks to live.

Mr Narayan was the most distinguished of the thousands of people arrested five months ago in the series of pre-dawn sweeps that marked Mrs. Gandhi's declaration of a State of Emergency.

GM may import Gemini

BY CHARLES SMITH, FAR EAST EDITOR

TOKYO, Nov. 14.

DISCUSSIONS are going on between General Motors and Japan's Isuzu Motors (which is 34.2 per cent. owned by GM) on a plan to start importing Isuzu's 1.8 litre Gemini car into the U.S. from next spring.

Executives of GM Overseas Corporation (Japan) who confirmed this to-day said the Gemini would probably start with monthly sales of between 2,000 and 3,000 next spring. They declined to confirm that the Gemini would replace a similar-sized Opel car in GM's imported range, although GM's Tokyo office is aware of reported statements to this effect by the company's executives outside Japan.

Isuzu, the sixth largest Japanese motor manufacturer, began its association with GM in 1971 when GM acquired its present stake in the company.

The relationship between the two companies is subject to an understanding that no change (including no increase in the percentage of GM's participation) would be made within five years from 1971. However, talks have recently been held between GM Acceptance Corporation and Isuzu Finance Company on a separate tie-up in the sales financing field.

Pakistan MPs in uproar

ISLAMABAD, Nov. 14.

ELEVEN OPPOSITION members were forcibly ejected from the National Assembly here to-night in an uproar unprecedented in the history of Pakistan's federal parliament.

A wild melee erupted on the floor of the assembly chamber as the Opposition members fought with two dozen plain-clothes security men who trooped in to remove them forcibly.

Several of the members, including the aged acting Opposition leader Mufti Mahmood, suffered cuts and bruises.

'No cutback of steel imports'

By Rupert Cornwell

PARIS, Nov. 14.

THE WEST'S major steel producing nations to-day pledged to avoid measures to restrict imports, despite the difficulties experienced by the industry everywhere, and in particular within the European Community.

After a two-day meeting of senior officials from the 24 member countries of the OECD, called at the request of the EEC Commission to head off demands from Community steelmakers for protectionist measures, a rough timetable of future action has now become clear.

Within the coming weeks bilateral talks will be held between the EEC, Spain and Japan, the two Western countries whose cheap exports have done most to upset an already depressed internal Community market.

Once assured that steel would not be entering domestic markets at excessively low prices, the EEC would then be able to adopt a minimum price system internally.

Beirut situation deteriorating

BY IHSAN HIJAZI

BEIRUT, Nov. 14.

SECURITY FORCES here to-day clashed with gunmen manning a roadblock, and killed one, as the general situation continued its downward slide.

The roadblock, near the main courthouse, was set up by Rightist elements protesting against the kidnapping of one of them yesterday. The man killed to-day was reported to be a member of the National Liberal Party of Interior Minister Camille Chamoun.

Soon, the tension spread to the nearby Christian district of Furn al- Chebbak on the main highway to Damascus, where gunmen began to shoot machine-guns into the air.

Others went around in cars shooting in the air to terrorise the public and chase off them the streets. One street affected was Rue Kantary, which had witnessed fierce fighting between rival combatants two weeks ago.

Those who had ventured out sought cover. Most parts of the capital were paralysed again. Armed men also appeared in the Moslem neighbourhoods and urged people there not to go downtown.

The Higher Co-ordination Committee, in charge of enforcing the truce and which was meeting again to-day, has thus far failed to check the rising tension and the continuing waves of kidnappings.

The committee, comprising representatives of Leftist and Rightist factions and the guerilla movement, met in an emergency session last night under Premier Rashid Karami and once again deplored the abduction incidents and promised to take steps to check them. But a new wave began early to-day by "mobile roadblocks" which are in the form of armed men moving in cars and summarily taking people off the streets.

Mr. Karami yesterday complained that his orders to internal security forces and army units to deal firmly with kidnappers and roadblocks went unheeded. He made his remarks to businessmen who urged him to ensure stronger protection for stores and banks so they may be able to function normally. Most shops and banks remained closed to-day.

PRESIDENT ASSAD'S ANNIVERSARY

Syria marshals its allies

BY ALAIN CASS IN DAMASCUS

FIVE YEARS ago this Sunday Syrian military police units sped through the deserted streets of Damascus arresting some key figures of the ruling Ba'ath Party in an operation which lasted barely half an hour. Later that day Major General Hafez Assad, the then Minister of Defence and Air Force Chief, formed a provisional regional command. The news was met with some protest by students, but the coup was totally bloodless.

Few people gave the man whom Dr. Henry Kissinger once described as a "political primitive" much chance of holding on to power. Events have proved otherwise.

Through a mixture of political skill and ruthless efficiency President Assad has taken Syria from obscurity and isolation to a position where the country's political will is critical for events in the Middle East. Economically, for all its crushing military burden, Syria has shown remarkable resilience. Internally, President Assad's peculiar brand of liberal Ba'athism appears to have left him more firmly entrenched than ever.

But Syria under Assad has fashioned for itself a fundamentalist image in international affairs, striving always to appear more radical than the next man. It is a policy which has its perils as well as its advantages. Just how the perils appear to outnumber the advantages, and Syria finds itself in a precarious and frustrating position.

After its success at the Arab summit in Rabat last year when the Arab world was skilfully manoeuvred into embracing Syria's radical political theology and raising the Palestinian standard, things have been getting progressively worse. In retrospect Dr. Kissinger's failure to secure an agreement in Sinai at the first attempt last March gave the Syrians only a brief moment of glory. The U.S. Secretary of State has since succeeded in securing an agreement which effectively places Egypt hors de combat for three years, and possibly longer, leaving Syria stranded with a much more difficult task of securing an Israeli withdrawal of the Golan Heights that Syria would probably negotiate an agreement on the Golan. But the prospects of such an agreement at this stage remain slim if only because of the high price the Syrians have set and the fact that the Americans appear unable, or unwilling, to do anything about Israel's continuing refusal to meet it.

Syria's price, basically, is some movement on the Palestinian front. Whether that means insisting on parallel talks involving the Palestine Liberation Organisation (PLO) while a Golan deal is negotiated, or whether Syria would, or indeed could, settle merely for recognition by the U.S. and Israel of the principle of Palestinian involvement in negotiations is unlikely to be clear before Dr. Kissinger's current round of preparatory talks crystallise into an initiative.

With movement on the Israeli front temporarily frozen, President Assad has been devoting his efforts to putting together a "fail-safe" policy which involves securing Syria's western and southern flanks. To do this he has embarked on a series of complex and possibly overambitious diplomatic stratagems whose ultimate objective is the revival of an eastern front against Israel incorporating Syria, Iraq, Jordan and the PLO.

The first of these, initiated in the aftermath of Dr. Kissinger's first Sinai mission, was a reconciliation with Jordan. This has gone well with a high degree of political and military co-ordination though recent evidence would suggest that progress has been stalled by difficulties in effecting a reconciliation between Jordan and the PLO. During his last visit to Damascus Mr. Zeid Rifai, the Jordanian Prime Minister, was apparently especially intransigent on this issue which involves Jordanian agreement to the return of at least token military and political PLO presence in Jordan.

The second initiative has been to try to find a solution to the crisis in Lebanon. The obvious threat here has been the October war, when key power installations had been destroyed by Israeli bombing electricity, petrol and aviation fuel from Lebanon kept the Syrian army and Syrian cities going. So far the Syrians initiative has only managed to contain the Lebanese crisis which threatens to break out again at any time.

The third and most recent initiative directly influenced by the consequence of the Sinai Agreement, to which Syria has been bitterly opposed, has been a distinct improvement in relations between the two factions of the Ba'ath Party in Damascus and Baghdad in the event of the complete collapse of the diplomatic process, Iraq, the most extreme opponent of dialogue with Israel, would provide Syria with the military support it would need in a war against Israel. After apparently fruitless accusations by Iraq that Syria had been cutting down the amount of Euphrates river water flowing via the Tabqa Dam north of Aleppo to the agricultural heartland of central Iraq, a compromise solution appears in sight. The propaganda war has also been suspended and Syria has reopened its airspace to Iraqi aircraft. A high Syrian official said: "We wish to go all the way in improving our relations with Iraq even to having Iraqi troops stationed in Syria."

> 'There is evidence to suggest that secret talks are going on between Syria and Iraq at the highest level.'

In fact there is evidence to suggest a great improvement in relations between Syria and Iraq, and that secret talks have been going on at the highest level following the Sinai deal, in both the political and military spheres. In return for Syria's gestures of conciliation Iraq is understood to have reciprocated with certain undisclosed gestures of its own. It is too early to say whether the change in either side's position is of more than a tactical nature. If the change is fundamental and Syria has moved closer to Iraq, then Dr. Kissinger's hopes of negotiating a second agreement on the Golan Heights are remote.

If on the other hand Syria is merely using these new initiatives in order to bring pressure on the U.S. and Israel into concessions (and if this proves successful) President Assad, clearly far from being a political primitive, will have gained much and lost nothing.

The new Syrian policy was thoroughly discussed with and reportedly warmly endorsed by the Soviet Union during President Assad's recent trip to Moscow, when he also secured a promise of further shipments of arms.

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SATURDAY, NOVEMBER 15, 1975

Don't count on the summit

THE SUMMIT meeting that opens in Paris to-day was originally intended as an occasion on which the French Government would seek to persuade the U.S. to help re-establish a system of fixed exchange parities. The political leaders will now be concerned instead with the more general questions of how to co-ordinate industrial expansion without provoking a fresh outbreak of inflation.

The main argument is likely to be between those who fear that excessive caution will prolong the present world recession unnecessarily and those who fear a fresh inflationary boom. In a sense, both may be right, for it looks only too likely that industrial countries will begin running into capacity shortages and that commodity prices will begin rising again while output remains below its former trend *and unemployment is still* unusually high. Any monitoring *system that the Six decide to* establish may therefore tend to *worsen the outlook* as *much as* improve it. The field in which they can probably do most useful work, given fairly general agreement that sweeping trade restrictions are harmful, is in ensuring that any "temporary" restrictions are kept to a minimum and dismantled as soon as possible.

Import controls

This issue is of particular significance to the U.K., not only because the recently-announced drawing on the International Monetary Fund itself sets limits on the extent to which the Government can yield to the pressure of the TUC and others concerned by the high level of imports, but because the further drawings on the Fund that will probably become necessary later will entail stricter compliance with internationally-recognised standards of good economic behaviour. The trade figures for October published yesterday show almost the same much-reduced deficit as in the previous month and suggest that the *deficit for the year will be* considerably lower than originally *expected*.

But it should be clear that a large part of this improvement is due to a running-down of stocks, which will be reversed as soon as national output begins to rise again, and to a faster rise in the price of exports than in that of imports, which may *not continue much longer if* commodity prices turn round *and demand for British exports* is now as sensitive to the relative level of prices as the latest CBI survey suggests. Even these latest trade returns, in fact, show that the volume of U.K. exports has again slipped back a little during the past few months while the volume of imports has already begun to rise again. If production is close to *its trough (as the CBI suggests)* and import prices are beginning *to rise again on a wide front* (for which there is some evi*dence in the latest indices of* wholesale input prices), the import bill could begin to rise sharply.

Gilt sales

Our chance of keeping exports rising in parallel depends partly *on the speed of the world* economic recovery, partly on the *effectiveness of the measures* taken here to curb inflation. The Government has already stated that a strengthening of the country's economic base must take precedence over increased consumption, private or public, and this is the basis of the industrial strategy it has now put forward to the National Economic Development Council. Yesterday's index of retail prices appears to show a further slackening of inflationary pressure, especially when seasonal *foods* are excluded *from* the reckoning, but the rate is still *high. It seems likely, moreover,* that there are more price rises to work through and that the full squeeze on personal living standards has yet to be felt.

Readiness to push ahead with its existing policy through such a difficult patch will be one test of the Government's determination. Another will be the extent of the cuts it succeeds in making in public expenditure over the original projections. In the meantime, its chief task—and one whose performance will be of considerable interest to the IMF—is to finance the *immediate public sector* deficit in the least inflationary way possible. Yesterday's cut in Minimum Lending Rate was not unexpected. The fact that it was one of only ½ per cent. suggests that the Government's main aim in the monetary field at present is, in fact, to maximise its sales of gilt-edged to the general public.

Michael Donne examines the gap between European and U.S. ideas on how to unravel a chaotic situation

Air fares: cold front over the North Atlantic

HOPES that the current round of talks between governments on both *sides of the North Atlantic* might bring some semblance of *coherence and stability into one* of the most confused situations in world *air* transport have been dimmed in recent weeks, with some marked differences of view on what needs to be done emerging between the U.S. and Europe.

Talks last week in London between the U.S. Civil Aeronautics Board and the U.K. Department of Trade appear to have foundered because of a U.S. refusal to give U.K. charter operators greater freedom of *access to the big American mar*ket, while in turn the U.K. gave only a cool response to a U.S. plan for a new type of cheap charter fare, called the "One-Stop Inclusive Tour Charter" or OTC.

The U.S. appears to have been getting a similarly cool welcome from most of the other European governments with which it has been holding discussions. Whereas the U.S. wants to see *a series of individual bilateral* agreements with European countries on North Atlantic charter operations, the Europeans are moving towards the concept of a multilateral agreement, and are expected to discuss this at a meeting of the European Civil Aviation Conference in Paris next week.

Illegal ticket rackets

From the airlines' viewpoint, the current situation could hardly be more confusing. At one end of the scale, they are *trying to settle normal* scheduled fares for the year be*ginning next April 1, almost cer*tainly at higher levels than those currently prevailing, to take account of cost increases either already known or expected in the months ahead. At the other, they are trying to settle new levels of commission for their travel agents in a bid both to give them higher rewards at a time of rising costs and to stamp out illegal ticket rackets that are costing the airlines many millions of pounds a year in lost revenue.

They are also engaged in the old battle of scheduled versus charter, with the U.S. charter operators seeking to introduce *the new OTCs, and the* scheduled airlines, both U.S. *and European, trying to devise* some new fares of their own *to counter this. The discussions* on new fares, however, among the International Air Transport Association's members at Cannes have been delayed while they try to settle the problem of agents' commissions.

At the heart of all the airlines' difficulties is the fact that traffic on the North Atlantic, for long one of the busiest and most glamorous of the world's air routes, has been poor this year (although there appears to have been some improvement in October), with the result that most airlines flying it have been losing money. This in turn has served to emphasise the old problem of too many seats chasing too few passengers, with the need for some further capacity reductions. Figures

How much to fly across the Atlantic? There is no firm answer. And attempts to bring some coherence and stability *into a thoroughly confused situation have been making little progress.*

issued by the IATA show that in the first eight months of this year the scheduled airlines collectively offered 10.4m. seats between *Europe* and *the U.S.* (or 5.2 per cent. fewer than *in the same period of 1974*) but sold only 5.9m. — 8.7 per *cent. fewer and still too close* to the unprofitable ratio of two *seats for every passenger.*

Slice of the market

The scheduled airlines' concern is reinforced by the way in which, over recent years, the charter operators have captured a substantial *slice* of the market — about 17-19 per cent. In 1973, *for example,* out of a total market of about 14m. passengers, *the non-IATA charter operators* had just under 2.1m. In 1974, *with the overall market down* to about 12.8m., the non-IATA charter airlines still held just over 2m., with most of the erosion occurring in the IATA scheduled and IATA-charter areas. Preliminary indications, however, are that over the first eight months of this year, the non-IATA charter airlines suffered a sharp fall in traffic of about 22 per cent., with the IATA airlines' own charter operations showing an improvement of about 7 per cent.

If the North Atlantic fares situation is bewildering for the public, it is an administrative nightmare for the airlines. On scheduled services alone, in both directions, there are first and economy rates varying according to season, along with the cheap Advanced Purchase Excursion (Apex) rates. In addition, from the U.K. to the U.S. and Canada, there are the cheap Advanced Booking Charters (ABCs), while from the U.S. to the U.K. there are Travel Group Charters (TGCs) and *Affinity Group Charters* (AGCs). In both directions *there are Special Event or* "Single Entity" Charters (SECs) and some *Inclusive* Tour Charters (ITCs). On top *of all this there will now be* the new OTCs and the scheduled airlines' counter-blast tour-basing fare, not yet named. In the background, Mr. Freddie Laker is still hovering with his Skytrain plan for no-reservations, low-cost transport between the U.K. and the U.S., convinced there is still a market for it despite all these other fares and the U.K. Government's decision to hold it up.

Behind all this there is the spectre of "discounting" or illegal "bucket shop" ticket deals. While the scheduled airlines themselves are trying to put a stop to the latter through their "Operation Clean-up," at the same time they are finding it difficult to settle the problem of agents' commissions and also the new cheap *tour-basing fare,* while their governments cannot agree among themselves on what ought to be done.

The new *OTC,* however, promises eventually to be one of the most significant developments on the North Atlantic for a long time. Broadly, it can be seen as the U.S. charter airlines' answer to the scheduled airlines' Advanced Purchase *Excursion* (*Apex*) fare, and also to the U.K.'s ABC fare, which have generated major new markets in *low-cost travel between Europe* and the U.S. The OTC, *broadly, will be an advanced-*purchase fare offered only in *the U.S. for trips of seven* days (six nights) or more to Europe *(and to the Carib*bean and other destinations), at a cheap charter rate (the precise levels being fixed through airline filings with the Civil Aeronautics Board) plus $15 a day for ground transport and hotels.

Minimum stay tag

The competitive possibilities of the OTC can be seen from the fact that one such programme already planned for next summer to the U.K. envisages a $349 early summer charge for seven days and $389 in the peak, compared with Apex rates of $309 off-peak and $399 in the peak.

The OTC rates include hotels and ground transport, are conditional on a minimum stay period of only seven days, *whereas the Apex* rate has a 22 days minimum stay tag, and does not cover *hotels or ground* transport. Thus, the OTC appears to be a more flexible type of fare, and might attract many U.S. passengers who would otherwise buy Apex seats. Generally, the plan is that the cost of an OTC, including hotels and ground transport, will be less than the cost of a scheduled *flight. The U.S. National Air* Carrier Association, represent*ing the largest U.S. charter or* "supplemental" operators, has welcomed the introduction of OTCs as bringing about a revolution in vacation air travel, "opening it up to many who previously could not afford such vacations." The NACA wants the U.S. to go even further, and eventually allow OTC flights without the ground element included to give every American "the same rights that his counterpart in Europe and Canada has enjoyed for years—the right to travel on low-cost charter transportation."

As yet, however, *it is too* early to measure the likely impact *of OTCs on the North* Atlantic. It is a new concept, *which all the airlines (includ*ing British Airways and British *Caledonian) are studying and,* so far, out of about 3,000 applications filed by U.S. charter airlines with the CAB, only 183, or 6.1 per cent., are for flights to Europe. The European governments so far do not seem to be enthusiastic about it—the U.S. has held talks with Belgium, Holland, Switzerland, Ireland and the U.K., but only the Swiss appear to have approved OTCs, while the U.K. response has been to accept them on an "experimental" basis subject to the U.K.'s own regulations.

The European approach might have been warmer if the U.S. itself was more liberal in granting access to its substantial market for potential North Atlantic travel. At present, however, it adheres strictly to what is called the "uplift ratio", whereby a foreign charter operator bringing in 45 flights of non-U.S. citizens is allowed to take out only 60 flights of U.S. citizens — a ratio of 3 to 4. This is clearly designed to favour U.S.-based airlines, and has caused much resentment in Europe, where the view is that it is a discriminatory regulation that should, preferably, be abolished or substantially amended to give *the non-U.S. carriers* greater opportunities.

In fact, the U.S. intransigence appears to be driving the Europeans closer together, and towards the concept of some kind of multilateral charter arrangement with the U.S. as opposed to the individual bilateral arrangements the U.S. wants to achieve.

Considering cheap fares

The scheduled airlines themselves appear to be taking the OTC threat seriously, and at their own fares discussions in Cannes they have been tentatively exploring the possibility of introducing a new cheap tour-basing fare of their own for use on scheduled services. This would, in effect, be a "fourth class" of fare, behind existing first-class, economy and Apex rates. It would not be sold directly to the public but offered to agents for building into group travel, and it would clearly go a long way towards helping the scheduled airlines cut the number of empty seats and counter any drift away from scheduled services towards *OTCs.* The existing Apex rates would stay, however, because *they would be aimed at a* different segment of the market.

For the next few weeks, there is not likely to be any significant *new development in the* situation. The scheduled airlines still have to settle their agents' commission problems and then get down to detailed discussion of Atlantic fares, including the new cheap rate. At the same time, the Europeans will be discussing within the European Civil Aviation Conference the possibility of a united front against the Americans. The latter will struggle on seeking bilateral arrangements with individual countries, although with what degree of success no one can tell. But sooner or later, there will have to be a breakthrough, if only because the present situation is unsatisfactory to everyone—Governments, airlines and the public alike.

Letters to the Editor

Local housing

From Mr. A. Jacobs.

Sir,—Allegations are frequently made by political opponents of the present Government that rents of council homes are kept to an unreasonably low level in an attempt to buy the votes of the tenants of such homes. It has further been alleged that the GLC is attempting to carry out a policy of keeping London perpetually under Labour control by providing an ever growing number of excessively subsidised homes. Because *these allegations* are made by opponents of the Labour Party it is assumed by too many people that this is inspired by political malice or envy.

Yet examination of the facts surely confirms the truth of these *allegations. The Greater London* Council's average rent is only £5.44 per week which now represents less than 10 per cent. of the average industrial worker's income. *In fact, the average* annual rent of £283 is less than the supposed minimal wage increase allowed by the government of £312. The difference between the rent being charged and the cost of providing the home is being met entirely by the rest of the community who appear to accept the situation either in ignorance or despair.

Nobody wishes to return to the pre-war situation when for the less well off members of the community as *much* as 35 per cent. of their total income was spent on rent, but if the growing deficits on the housing accounts of local authorities throughout Great Britain are to be brought under any sort of reasonable control, *rents must surely be* raised to a level of between 15 and 20 per cent. of a householder's income and where there are several wage earners living in a single council home there seems a logical case for charging *the full economic rent. Solving* the problem of the homeless and those inadequately housed will not be achieved by continuing to favour council tenants with unnecessarily low rents.

Anthony Jacobs.
Liberal Party Housing Advisory Panel.
20, York Terrace West, N.W.1.

Wealth tax

From Mr. H. Leggatt

Sir,—Mr. Bob Mellish, Labour Chief Whip, is reported (November 13) to have said that the Government would treat the finding of the Select Committee on Wealth Tax "with the contempt it deserves."

That may be taken to imply that the Government would ignore the Committee's views whatever they might turn out to be. But this could appear to reduce the lengthy and painstaking labour of a Parliamentary Select Committee to a farce, since Mr. Mellish presumably could not claim to have studied the voluminous report. What makes this whole disreputable episode so intriguing is the fact that surely none other than the Chief Whip himself gave unpaired leave of absence to two MPs, one of whom, you report, entertained considerable doubts about the Government's original *proposals.*

Are we therefore to assume that Mr. Mellish is quite simply contemptuous of any decision which he might not be inclined to accept?

Hugh Leggatt.
Leggatt Brothers,
30, St. James's Street, S.W.1.

Rent control

From Mr. D. H. Warner

Sir,—Immediately after the general election of early 1974 rents were frozen and landlords of domestic properties were un*able to apply rent increases* under phasing arrangements towards obtaining the full amount of a registered fair rent.

The Housing Rents and Subsidies Act 1975 effected a thaw, so that phased increases were permitted. However it would appear that H.M. Government was at pains to see that the provisions of the Act were not apparent—even to estate agents, and I have only very recently learned correctly of its effect.

Those of your readers who are concerned may be interested to learn of the existence of leaflet H5/783/44—May 1975 (only just available, despite its dating) which sets out details and dispels the idea, previously gained, that 40p per week was the maximum increase that could be applied.

Copies should be obtainable from local rent officers but if not presumably issue is the responsibility of the Department of the Environment.

D. H. Warner.
Spring Tide,
Charlmead,
East Wittering,
Sussex.

Petrol and beer

From Mr. H. Cole.

Sir,—Rear-Admiral Madden (November 13) is right in that I usually buy petrol at four or more gallons a time, but I am puzzled at the suggestion that it would be necessary to consume *beer at an "alarming rate" for* there to be a comparison between the two liquids.

Quite apart from the odd idea of a brewer finding any rate of beer consumption alarming, the fact is that the country does use *them at a very similar rate:* about 2,500m. gallons of beer will be drunk *this year,* and something under 3,000m. gallons of petrol will be burned.

If the Rear-Admiral thinks that reducing the number of outlets by a factor of 70 per cent., and cutting out most of the dif*ferent types of beer would enable* the tax-free price of a pint to come down to the 4.4p which a levy-free pint of petrol costs, he will swallow anything—even the odd draught of multigrade oil.

Harvey R. Cole.
9, Clifton Road,
Winchester.

Horizon

From Mr. J. Archer.

Sir,—*The article on November* 4 implies that all is now settled and makes no reference to the position of people such as myself who are still awaiting a decision as to whether the Government "guarantee" will be available to refund money paid to Horizon Travel (the travel agency of the Court Line Group) in respect of a holiday with Horizon Holidays (the tour company).

Horizon Travel was put into liquidation before it paid my holiday money (£293) over to Horizon Holidays. Upon inquiry to the liquidator, I now learn *that the Government representa*tive to the Air Travel Reserve Fund is claiming that the "guarantee" extends only to those people who lost their *money through the failure of the* tour company and that it does not apply if the money was held by the tour company's own travel agency. This position is based on the *premise that the travel* agent was the agent of the holidaymaker and not the tour company, although I am told by the liquidator of the travel agency that I have *no claim* as it is advised by counsel that it acted as agent of the tour company. Like many others I paid the money over solely on the *strength of Mr. Wedgwood* Benn's statement in the Commons, after having withheld it for a week past the due date as I had read of Court Line's problems.

Following the publication of *yours and similar articles in the* Press, the public in general now thinks that the Government has honoured all its obligations in this respect. Since the number of cases such as mine may not be large, no doubt the *Govern*ment *will be little concerned as* to our position.

J. P. Archer.
"Squirrels,"
6, Danesmood Close,
Weybridge,
Surrey.

Patriarch

From Mr. J. Wordie

Sir,—As a direct descendent of *the Patriarch—my great grand*father, Sir William Henderson *of Aberdeen* owned this Clipper —I must express a sadness that her London-Sydney record, which stood for some 105 years, went to another vessel in the small hours of November 6, 1975.

At the same time Captain Mike Gill and his crew on board Great Britain II are to be congratulated on an average speed for this long voyage of some 8½ knots.

But *given equal terms* — namely radio communication and greatly improved weather reporting and forecasting — my money would be on the green-hulled *Patriarch* to beat the Great Britain every time.

John Wordie.
Travellers' Club,
Pall Mall, S.W.1.

Burmah's BP shares

From M. E. Adcock.

Sir,—The controversial requisitioning of Burmah's BP shares by the Bank of England in return for a derisory compensation of 230p a share without prior consultation of the share*holders can surely be put right* by restoring the shares to Burmah's ownership in return for conversion of the amount paid by the Bank of England *into a loan, and using the BP* shares as collateral for the loan.

The Bank of England will suffer no loss from this arrangement and Mr. Alistair Down will again be able to exercise his expertise in disposing of BP *shares at a realistic price,* as he did in the case of the recent sale of 4.6m. Shell Transport shares, and then repaying the Bank of England's loan out of the proceeds.

The Government has recently expressed its eagerness to help dynamic minded industries to pull *this country out of its* depression. Burmah, which has recently been showing real drive and initiative in tackling present difficulties, would appear to be a most deserving case for such help. How much better it would be to help a company like Burmah, which is carving out a course for positive survival, than to pour money into Chrysler's begging bowl particularly when the latter *shows* that it has no idea which way to turn to survive, while the former can be given help without calling for a further penny piece from either Treasury or Bank of England funds.

The fact that BP's shares have more than doubled in price over the Bank of England's forced purchase price will provide the Bank with at least as much *further security as it is likely* to require to continue to guarantee Burmah's dollar loans until Mr. Alistair Down successfully negotiates the sale of *Burmah's U.S. assets.*

A little bit of magnanimity shown to Burmah now in atonement for past harsh financial treatment would be a great fillip to other industries most anxious to display their mettle in helping our country out of its present predicament.

E. P. Adcock.
10, Wheatfield Road,
Harpenden,
Herts.

Doubly taxed

From Mr. W. B. Keir

Sir,—I have just received my rates notice for the 10½ months to *March 31, 1976,* which shows an increase on an annual basis of 33.99 per cent. Unfortunately much of the prodigality which has caused the increase would appear to be irreversible and only worse can follow.

The rate per £ is £1.36 for 10½ months which equates to £1.55 for *a full year.* This rate however has to be paid out of taxed income and grossed up at the minimum of 35 per cent. the rate works out at £2.39 in the £. The very least that any Government could do, if local rates are not to be abolished altogether, would be to allow local rates as a deductible expense for income tax purposes, so placing the individual ratepayer on the same footing as industrial and commercial concerns. At least these concerns do not pay taxes on taxes! As a matter of interest, if revaluation of properties had not taken place in 1971, to produce the amount for which I am now assessed would have called for a rate of *£3.43 in £ grossed up to £5.28.*

No wonder the regeneration of British industry recedes ever further into the distance, while we slowly grind to a standstill!

W. B. Keir.
Orwell,
Upper Smollett Street,
Alexandria,
Dunbartonshire.

POLITICS TO-DAY

BY DAVID WATT

Europe's future and the U.S. vacuum

: ARRIVAL of President ıld Ford in Europe this kend for the "Economic mit" is an oddly significant ıt. I say "oddly," because its ificance is of the old lock Holmes "dog-that-'t-bark-in-the-night" variety. is there no ballyhoo? The er of the most powerful omic nation in the world oses to engage in a dialogue the five next most powerful omic leaders in the middle the deepest and longest-ng economic crisis that the ern world has faced since war; and what do we find? feverish flurry in the ıcelleries? A frantic produc- of ministerial briefs? ted speculation in the s? Not a bit of it. A blank of official indifference and ıalistic cynicism.

icialdom has its own ex-ıtion ready, of course. Aha, re told, you have failed, in naiveté, to grasp the sub- of modern diplomatic ods. It would be highly ıter-productive" if Presi- Ford descended on his ıgues rather as Lady rine de Burgh descended the cottagers of Hunsford scolded them into harmony lenty." Moreover, it would ırrible if anyone got the that decisions might be at the meeting. If no deci- were taken there would iversal disappointment and aders would lose face; and isions were to be reached all. they would un-edy be ones that everyone regret, leaving officials he task of clearing up the Much better to have a lly chat among friends no preconceptions and no rassing results.

Well, no doubt there is something in both arguments. But the truth is that they are both rationalisations designed to make the futility of the meeting, and the chief cause of that futility, rather less glaring. If the U.S. had a coherent politico-economic international policy some fruitful discussion would take place. If, in addition, the U.S. had a President capable of coordinating such a policy within his own administration and then selling it to the American public in the 12 months before the next American election, then considerations of diplomatic tact would not prevent him pressing it forcefully upon the European and Japanese Governments. But the crucial fact about the international scene at present is that neither of these conditions exists.

Not in control

It has become increasingly clear during the last two months and in particular during the last ten days that President Ford is in control neither of his own administration nor of American political events. He may, of course, regain command between now and the Republican Convention next summer. But as things stand at the moment it seems conceivable that he will not be able to capture the Republican nomination (an almost unprecedented situation) and even probable that almost any one of the flock of Democratic contenders will be able to beat him, if nominated, a year from now.

The cause of these predictions is partly the economic situation—particularly inflation which has alienated middle-class Republican voters. But it is also partly a question of the President's own political image. If he wished to make the transition from being a dull, but worthy stop-gap President to being a political power in his own right he had to carve out his own political constituency—one much wider than the narrow band of support represented by the Centre and Right of the Republican Party. This he has failed to do. He has shown neither the intellectual grasp nor the political leadership needed to impress the American public at large, and his fear of Governor Ronald Reagan's challenge on the Right has caused him to fall out with Vice-President Rockefeller and orient his domestic stance away from the consensus.

The consequences of this collapse at the centre of American Government might not be so disastrous if it had not coincided with another factor. America and the rest of the world have put up with lame-duck Presidents before now, and while the experience is distinctly frustrating given the overpowering role of the Presidency in the American system, the executive machine can be expected to freewheel moderately well, in normal times, for a considerable period. At this juncture this is not possible. There is not only a vacuum at the White House, but the rest of the policy-making functions of the Administration, especially in foreign affairs, have been at least partially paralysed as well.

This paralysis has been brought about in the aftermath of the Vietnam war and the Watergate scandal by three related influences. One of these has been the re-assertion of the power of the Congress against an "over-mighty" Presidency; the second has been the demoralisation of the Establishment which has run American foreign policy since 1948; and the third has been the disenchantment of the wider American public with an ambitious U.S. foreign policy.

President Gerald Ford faces Dr. Henry Kissinger across the table in the Oval Office at the White House: it has become increasingly clear that the President is not in control of his own administration nor of American political events.

It should not be assumed, as it often is, that these factors add up to a simple case of isolationism. There are many cross-currents. The predominant mood in the Congress is no doubt cautious and minimalist where foreign affairs are concerned, but there was certainly nothing isolationist about its lamentable performance in the Cyprus affair.

Again, there is now a profound split between liberals within the Establishment and the rest, with liberals leading the pack against the CIA, for instance. But even the liberals remain basically activist and progressive in their attitude to America's role in the world and since, so far as one can see, the next Secretary of State in either a Republican or Democratic administration will be selected from a limited and easily identifiable list of Establishment candidates, we need not expect a dramatic reversal of policy at the top. So far as American public opinion is concerned, my impression is that it is nationalist and hard-headed (except in the case of Israel where it is sentimental) but not that it is determined to stick its head in the American domestic sands at all costs.

Yet even if we are not doomed to a return to "Fortress America," the implications of these trends are worrying. In the absence of a strong President — that is, until at least 12 months from this week — we can expect an American foreign policy with the following characteristics: (a) it will be volatile, (b) it will be more than usually susceptible to domestic political pressures, (c) it will be provisional, (d) it will be conducted, perforce, very much in public, and "for the record."

Dr. Kissinger will naturally do his best to counteract these weaknesses: and, being an adroit bureaucratic manipulator as well as a forcefull advocate of his own policies, he may have some success. But he is badly hamstrung by the fact that his own political capital is running out, by the fact that national security is obviously going to figure largely in the election campaign, and once again, and above all, by the fact that the President does not have the authority to solve disputes in the Secretary of State's interest in the country, in Congress, or even in his own administration.

Thus, the debate on *détente* may appear to have been settled in Dr. Kissinger's favour by the dismissal of Dr. Schlesinger but it is a fair bet that Mr. Donald Rumsfeld the new Secretary of Defence will rapidly take on the Pentagon point of view and with at least two potential presidential candidates, Governor Reagan and Senator Henry Jackson, shouting "betrayal" from the rooftops for the next six months, accommodation with the Russians is not going to be an easy political exercise Dr. Kissinger implicitly confessed this earlier this week when he publicly denounced the Soviet Union for the stagnation of the SALT negotiation—an example of the "going public" effect.

Panama

Another example of political difficulties in store is the question of the Panama Canal, where the Kissinger policy of negotiating a phased cession of American sovereignty to the Panamanians is already being violently attacked by the populist Right.

Moving nearer home, one might say that American policy towards Europe has not been very coherent at the best of times under Dr. Kissinger, but the acute difficulties along the southern flank of Nato have certainly not helped matters. How is it possible, for example, to decide what America should do about Portugal while the radical attack on the CIA is in full swing and while Congress is terrified of foreign entanglement yet equally terrified of the "Reds"?

In economic affairs, the extreme orthodoxy of Dr. Arthur Burns, Chairman of Federal Reserve Board, and Mr. William Simon of the Treasury, is firmly in the ascendant, which presumably means that appeals from, say, Mr. Denis Healey for further measures of reflation in America in order to ease unemployment in Britain will fall on deaf ears at the summit meeting this weekend.

Fair enough, in a way. But what is required at present is far wider strategy embracing energy policy, macro-economic management, and the whole problem of the Middle East. And how is such a strategy to be devised in Washington, let alone in the developed world, unless the President is willing and able to knock some heads together? It is because there is not the faintest sign of will or ability on the part of President Ford that one can safely predict minimal results at the summit.

Looking beyond the next Presidential election is a risky business. Some new alignment of forces is always possible, and Mr. Thomas Hughes in the latest issue of the magazine, *Foreign Policy* constructs one fascinating scenario by imagining an alliance between liberals and mid-American populists. But what is quite certain is that no American coalition can be successfully created without the bonds of the Presidency itself to keep it together. Until Mr. Ford is either legitimated by popular vote or thrown out in favour of a more forceful manipulator of power, Europe, which has so often been reproached by Americans for lacking an identity or a policy, will look in vain across the Atlantic for leadership, for partnership, or even for an anvil on which to hammer out its own collective policies.

LABOUR NEWS

)ock labour Bill ›ut next month

CHRISTIAN TYLER, LABOUR STAFF

/ERNMENT Bill to extend ıck labour schemes to all and most container depots introduced to Parliament the end of next month.

Queen's Speech at the ıing of the new Parlia-ry session next week is ed to announce the ıment's high priority for ın, which already this year ought a deulge of protests trade associations, port rers and the CBI.

Speech is not expected ılge the timing of the ut a date before Christmas ırded as almost certain.

ıncerted campaign against ill will be launched on y under the auspices of BI. Plans for sweeping ments will be drawn up by rers and traders, who that the extension of red dock work will put ı's import and export ss at the mercy of the s of the Transport and l Workers' Union.

say that with all British ports in the scheme, a strike by the TGWU could halt vital supplies, especially food.

Protests have been widespread since March, when Mr. Michael Foot, Employment Secretary, issued a consultative document on his plans.

The CBI-led campaign against the Bill is intended to draw together eight or more employers' associations in order to give maximum opposition to proposals which are believed to have been little modified since March.

Proposals to nationalise the ports are unlikely to appear in the Queen's Speech. The Government is understood to have shelved the idea in favour of pressing ahead with its labour scheme.

Next month's Bill will provide that all ports, and container depots and cold storage depots within five miles of waterways should employ registered dockers. There may be provision for the five-mile limit to be extended, a point that particularly angers many employers.

›lihull Rover complex ›mes to standstill

PETER CARTWRIGHT, MIDLANDS CORRESPONDENT

ıH LEYLAND'S Rover car x at Solihull has been ıfter nearly three weeks ıtrike by 1,000 assembly s on the saloon car track.

; will continue over the , about method study, the week-end. If a peace a is found it will be put ıss meeting of strikers on y.

problem arose as a result ılanned new model, code- SDI, which is due to come oduction in the New Year and on which £60m. has been invested in buildings, plant and equipment.

The strikers complain that method studies are being made by industrial engineers and not planning staff as in the past.

The strike, which has caused 1,700 workers to be laid off, could be a challenge to the policy introduced by Mr. Alex Park, Leyland's new chief executive. He is committed to eliminating overmanning and to solving problems before continuing with a programme.

‹Irs. Castle tells doctors ‹ıy norm must stay

CHRISTIAN TYLER

MINERS could not be ıd to settle for a £6 a week e if the Government made ception of the junior l doctors under the pay Mrs. Barbara Castle, Services Seretary, said ıay.

submit to the doctors' is would mean an end of vernment's policy.

Castle's blunt restatement Government's position in tors' overtime pay dispute ıfter a stormy interview ıniors at Blackburn Royal ıry, Lancashire, in her own ıency which is also the ılitant area in the dispute.

:-out

Wasily Sakalo, Australian an of the North-West , walked out of the meet-ling it a "waste of bloody

Mrs. Castle said later: ıst kept shouting me down explained what the pay said."

national industrial action of the 19,000 junior doctors is virtually complete, but a campaign to nullify it or delay action on its result on Monday looks increasingly likely to succeed.

Under pressure from militants, the British Medical Association has cancelled a Monday morning meeting of the juniors' executive committee. The ballot result will go straight to the full 55-member national committee of juniors at mid-day.

The committee discuss whether to hear the result at all—many say the ballot papers were loaded against industrial action—and, if so, whether to refer the result back to members for a further decision.

There will also be moves to sack members of the executive for failing to press the doctors' ease hard enough.

Militants staging unofficial industrial action in about 300 hospitals challenge the Government's repeated claims that it can go no further on the question of overtime pay without breaking its pay policy.

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Citibank paying £5m. to increase stake in Grindlays

BY MICHAEL BLANDEN

FIRST NATIONAL City Bank of New York is to pay £5m. to increase its equity stake in Grindlays Bank from 40 to 49 per cent.

Details of the £32.5m. capital-raising operation for Grindlays released yesterday also show that two new subordinated five-year loans are to be raised to provide new capital. These loans have been arranged by Lloyds Bank, which holds a substantial stake in Grindlays' parent company, Grindlays Holdings.

A sterling loan not exceeding £9m. and a dollar loan not exceeding $38m. (about £18.5m.) are to be available for drawing by Grindlays up to the end of this year. Lloyds said it was taking a significant part of the new loans, though it would give no further details of the participants. Citibank is understood not to be taking any of the loans.

The operation follows the damage done to the Grindlays balance sheet by heavy provisions, particularly against the property loans of its Brandts merchant banking subsidiary. The losses in 1974 and the first half of this year have cut capital resources of the Grindlays Bank group by just under £26m., Lord Aldington the chairman, explained in a circular to shareholders.

As expected, Citibank is subscribing for 2.37m. new shares in Grindlays Bank. The price is about £2.113 a share, in line with an estimated but unaudited net tangible asset figure for the group on June 30 of £2.11 a share.

The bank pointed out that this price, if applied to all Grindlays Bank shares, would put an underlying value on the Grindlays Holdings investment in the bank equivalent to 50p for each 25p ordinary share of Grindlays Holdings, which also has other net assets worth some 3p a share. Yesterday the shares closed unchanged at 39p.

The sterling loan carries interest at 1¼ per cent. over the London interbank offered rate, while the dollar loan carries interest at $\frac{1}{16}$ per cent. over the rate.

Giving the reasons for the injection of new capital, Lord Aldington also reassures shareholders over the impact of U.S. regulations in relation to Citibank's increasing stake. It has been reported recently that it may be necessary to get rid of some non-banking activities because of conditions imposed by the Federal Reserve. But the chairman points out that there is a five-year period before any disinvestment need take place.

The capital proposals are subject to approval by shareholders at an extraordinary general meeting on December 2 and are recommended by the directors and supported by Lloyds.

The question of the IMF Trust Fund is expected to be raised here, in that the sales of gold from the Fund to assist developing countries now look like taking place in smaller amounts and less speedily than originally hoped.

Chrysler chairman to fly to London

BY PETER FOSTER

MR. JOHN RICCARDO, chairman of the Chrysler Corporation, will fly to London early next week for further talks with Mr. Eric Varley, Industry Secretary, on the fate of Chrysler U.K.

It is understood that no final decision on the future of Chrysler has been taken by the Government—or will be for at least another week—but that Mr. Varley has invited Mr. Riccardo over for a "progress report" on the views of the Chrysler Board in Detroit after the tough negotiations with the British Government last week.

It is known that selective assistance for the Coventry area in the event of a Chrysler pull-out is being examined by the Cabinet, although this would still leave unsolved the problems of Chrysler's Luton and Dunstable plants.

Representatives of the Strathclyde Regional Council, Scotland, are to fly to London early next week to seek urgent meetings with the Prime Minister about the future of Chrysler's Linwood plant.

They intend to raise the possibility of "alternative Government action" to maintain some form of motor industry in Scotland if Chrysler should close there, and also the question of selective import controls.

Mr. Edward Short, Lord President of the Council, told Coventry Chamber of Commerce yesterday that the Government was considering "every option" for Chrysler.

Pointing out that the West Midlands needs had been less than other areas in the past, he said: "All industrial policies must be flexible, and the needs of the West Midlands must be kept under constant review in Whitehall.

"We have no intention of seeing the greatest industrial and engineering complex in Europe go to the wall."

Mr. Alex Fletcher, Conservative MP for North Edinburgh, told a meeting of the British Industrial Marketing Association that if Chrysler was no longer viable and no other company was prepared to take it over, it would be senseless for the Government to do so.

Poulson given more time to lodge plea

JOHN POULSON, the jailed architect, has been given more time to appeal against his seven-year sentence.

The Court of Appeal in London yesterday granted his application for leave to renew his plea for an extension of the time allowed for lodging an appeal.

Poulson, now in Wakefield Prison, was convicted at Leeds Crown Court on March 15 last year and January 15 this year of conspiracy to corrupt and corruption.

Poulson was not brought from prison for to-day's hearing.

CEGB cautious on power station repair

BY JAMES McDONALD

THE Central Electricity Generating Board has agreed in principle that the fire-damaged generator set at the Aberthaw B coal-fired power station on the Glamorgan coast should be repaired at a cost of about £13m.

But an important rider to this agreement—on which the jobs of about 2,000 Welsh miners may depend—is that the CEGB executive is to seek an assurance from the National Coal Board that suitable South Wales coal will be available for the unit at a price competitive with fuel oil in the foreseeable future.

The CEGB says that this assurance is necessary in order to justify the economics of repairing the generator set.

In reaching its decision, the executive of the CEGB said that it had considered, not only the capital expenditure involved "at this time of national financial stringency," but also the "implications of the present sharp turndown in electricity consumption and the substantial scaling-down of forecast levels of future demand for electricity."

COMPANY NEWS + COMMENT

Chloride behind £0.64m. at half-time

THE SIX months to September 30, 1975, resulted in a decline in the profit of battery manufacturers **Chloride Group** from £7.96m. to £7.32m. subject to tax of £3.36m. against £3.87m.

The directors state that second half profit should show an increase over the first. Although the company will be hard pressed to maintain the seven year record of profits increase the outlook continues to be one of strong growth.

The interim dividend is stepped up from 0.9p to 0.96p per 25p share. Last year's total was 3.3861p.

The directors point out that the cash flow available in the first half represents an improvement over last year. Furthermore, needs for working capital this half year have been well controlled and have been helped by *the lower price* of lead, so that the relationship between borrowing and holders' funds remains *satisfactorily below the Board's* declared parameters.

In the circumstances, they are pressing ahead with their investment plans, fully recognising that the funding of this growth programme has the immediate effect of reducing earnings per share.

They are concentrating on expanding production capacity for motive power batteries because experience has shown that demand reaches new peaks after a recession.

An additional boost to the next recovery will come from the growing pressure for pollution-free working areas, they add.

Sales value has increased by 16 per cent., with unit volume *slightly lower than last half year.* The group's companies in the major markets of Britain, U.S. and Australia *achieved increases* in market penetration against a drop in market demand.

Helped by strong operating performances in Australia, India and the U.S., companies outside Europe achieved a useful overall increase in profit for the half year. This was more than offset by a disappointing performance by plastics and metals operations in Europe, including the U.K., which have been hit by low demand. The overall effect of exchange rate movements has not been material.

	Six months 1975 £000	1974 £000	Year 1974-75 £000
Sales	97,541	93,722	181,966
Operating profit	8,736	9,445	19,853
Share of assoc.	503	367	597
Interest payable	1,918	2,045	4,321
Profit before tax	7,321	7,964	16,227
U.K. tax	512	1,062	2,103
Overseas tax	2,844	2,807	5,164
Net profit	3,965	4,095	8,960
Minority profits	148	348	468
Attributable	3,817	3,747	*8,494

* Before extraordinary items.

See Lex

Berry Trust holds profit

Pre-tax profits of **Berry Trust** finished the year to August 31, 1975, virtually unchanged at £172,991.

Earnings per 25p share are shown to have fallen from 0.73p to 0.63p. The dividend is lifted *from* 0.6125p to 0.625p net.

Net asset value per share stood at 47.25p compared with 37.5p.

	1974-75 £	1973-74 £
Total income	600,771	644,622
Int and divs. received	334,858	551,311
Deposit and loan int.	133,317	70,315
Underwriting comm.	17,609	5,781
Dealing profits	114,537	17,215
Interest payable	333,682	347,110
Loan stock interest	21,211	21,290
Pre-tax profit	172,991	172,723
Taxation	77,427	62,039
Net profit	95,564	110,884

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J. Dawson mid-term setback

FOR THE six months to September 30, 1975, manufacturers of belting for industry and agriculture, **James Dawson and Son** reports that from turnover little changed at £1.46m. against £1.45m. pre-tax profit contracted from £353,262 to £275,815.

The interim dividend is held at 1.25p net per 25p share at a cost *of £50,000. Last year's total* was 4.42p from profits of £758,067.

The directors say it is too early *to forecast* how long the business will be affected by the world recession, but it is their present *intention to maintain* the same total dividend as last year.

They explain that results for the six months reflect the adverse effect on orders of the economic climate.

Hammerson Property profit up

IN THE six months ended *June 30, 1975*, profits of **Hammerson Property and Investment Trust** improved from £1,532,993 to £1,616,133; but reflecting heavier tax earnings are stated to be down from 3.6p to 3.17p. For 1974 the figures were £3.12m. and 6.42p.

	Six months 1975 £	1974 £
Profit before tax	1,616,133	1,532,993
Taxation	831,466	702,559
Net profit	784,667	830,434
Minorities	270,489	247,633
Attributable	514,178	582,801
*Deferred interest, etc.**	98,187	75,857
Available	415,991	506,944

* Deferred interest and other development outgoing written off, net after extraordinary receipts.

In accordance with group accounting policies, extraordinary receipts of £2,023,744 (1974 £86,272) being realised profits (net after tax) on the sale of properties previously held for investment, have been utilised to accelerate the write-off of deferred interest and other development outgoings incurred in previous years in relation to other properties.

Guardian Trust advance

After higher management expenses of £60,252, compared with £50,650, debenture interest unchanged at £44,375 and other interest charges down from £143,007 to £136,149, pre-tax profit *of Guardian Investment Trust* improved from £926,640 to £981,325 in the first half to September 30, 1975.

An increased interim dividend of 0.75p (0.49p) net per 25p share has already been announced. *Last* year's total was 1.75p from taxable revenue of £1.6m.

Gross income for the six months expanded from £1.17m. to £1.22m. This included franked income of £780,361 (£746,794) and unfranked £256,497 (£223,612). Tax charge was £104,501, against £93,522.

Net asset value per share at September 30, 1975 was 76.4p, compared with 64.3p at March 31, 1975.

Valuation of investments at September *30, 1975, was £47.29m.*, against £38.04m. at March 31, 1975. Net current assets were £220,592 (*£3.17m.*).

	Half-year 1975 £	1974 £
Franked income	780,361	746,794
Unfranked	256,497	223,612
Other interest	174,589	194,811
Commission, etc.	10,655	55
Management expenses	60,252	50,650
Debenture interest	44,375	44,375
Other interest	136,149	143,007
Revenue before tax	981,325	926,640
Taxation	104,501	93,522
Imputed tax on franked income	270,394	243,119
Revenue after tax	606,460	589,999
Preference dividend	54,556	54,556
Interim dividend	378,000	246,960

Warner Holidays upturn

IN THE six months ended July 31, 1975, group pre-tax profits of Warner Holidays increased from *£159,000 to £325,000; and management* information since July confirms a "continuing satisfactory situation.

The net interim dividend is unchanged at 0.35p per 10p share. A scrip issue in "A" shares to both classes is proposed on the *basis* of one-for-10. For 1974-75 a total dividend of 1.04p was paid from profits of £397,000.

	First half 1975-76 £	1974-75 £
Gross revenue	3,180	2,460
Profit	325	154
Interest charged	79	119
Taxation	162	83
Extraordinary debits	83	—
Net balance	71	76

● comment

With the loss making Vista Tours behind it, Warner's profits have been on an uptrend, and in the first half they are more than doubled. This year has set a record for U.K. operators because *the fall in sterling has* made overseas holidays less attractive. The cost of foreign holidays has *risen and the holiday-maker has* found his spending power reduced. Meanwhile, the U.K. season has gradually been extended at either end to cover around five months, and the long dry summer has also helped. At 17½p yesterday the yield of 9.4 per cent. is similar to that of Pontin's, though on the past 12 months' earnings Warner's p/e drops to only 4.7—but the shares have to account for total net borrowings representing 104 per cent. *of shareholders' funds in* the last accounts, and another extraordinary item of £85,000 in *the interim,* against exchange losses.

Maple Macowards improving

FOR THE 28 weeks ended August 16, 1975, **Maple Macowards**, retail store proprietors, reports a reduced pre-tax loss of £597,000, compared with £961,000 for the same 1974 period.

The *Maple division's trading* has improved and is now making a contribution to group profits. The *television-division has maintained* its profitability, the directors report.

Progress with the development of Tottenham Court Road continues with the office accommodation and the hospital laboratory virtually complete. The retail space should be completed by the end of the current year and the residential accommodation during the first half of 1976.

The group has now completed the sales to Owen Owen of nine *departmental stores for a con*sideration of some £2m. The transaction will involve a deficit *of around £1m. as compared with* book values and this amount will be dealt with in the accounts for *the year.*

For the year 1974-75 a group loss of £1.7m. was reported.

The Preference dividend is in arrears from February 2, 1975—*the last Ordinary payment was* 2.174p in respect of 1973-74 in which year profits totalled *£668,000.*

● comment

Loss elimination resulting from store closures and the initial profits from several new *furniture* stores opened last year, have enabled **Maple Macowards** to achieve a £329,000 pre-interest turnaround from losses. But the large interest charge means that the group is still in the red. Virtually all of the finance changes relate to the massive Tottenham Court Road development which is now nearing completion. So far no lettings have been agreed on this site. Although the group has now reached the negotiation stage on *certain inquiries,* the value of such a large unlet development (which has so far pushed net borrowings *up to over 170 per cent. of share*holders' funds) is open to question in to-day's property market. Moreover, *the deficit of £1m. incurred* on the sale of nine department stores must cast doubt on the *realisable value of the rest of the* group's property assets. At 10p the group is capitalised at roughly £2.8m. compared with shareholders funds of £10.5m. in August.

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Results due next week

Next week promises to be busy on the company news front with a list headed by **Beecham Group, Associated British Foods, Woolworth** and **House of Fraser**. Also featured are **Commercial Union, Royal Insurance, Metal Box** and **Renold**.

A modest rate of growth can be expected from **Beecham's** interim figures next Thursday. Consumer *products will have come under* pressure in the U.K., apart from soft drinks where good weather *boosted sales.* Pharmaceuticals, meanwhile, have taken in some price increases both at home and *abroad, but this will probably* have been insufficient to maintain the group's overall trading *margins.* Although ending of the ampicillin patent in the U.K. will lead to greater competition, the *main effects* of this will fall after the interim. Pre-tax profits could be around £32m. (£27.8m.).

A substantial improvement is expected from **Associated British Foods** interim on Monday. Figures *from Australia indicate a recovery* with an advance of £1½m., and South Africa has also recorded *a better showing worth perhaps* £1m. in sterling. At home the trading pattern will be mixed. Judging by Sainsbury's figures it is unlikely that the distribution operations came through with any better results, but the milling and baking business is expected to show some good figures. First-half pre-tax profits should be in the region of £23m.-£25m. against £18.7m.

On the retailing scene next week we have third-quarter *results from both* **Woolworth** *and* **House of Fraser** on Wednesday and Monday respectively. After *a reasonably buoyant first two* quarters from Woolworth analysts believe that the pace slowed down *in the third quarter and the three* months' profits to September are unlikely to match the £6.6m. of *the previous three months.* So pre-tax profits for the nine months should come out around £18m. against £16.2m., adjusting for property disposals. Fraser will also have taken in an unexciting third quarter. The trend of advance was slowing down over the first six months and the hot weather would have taken the edge off third-quarter demand. So a slight setback in the last three months is expected to leave nine months' profits around £10m. after an interim of £6.4m.

Next week's nine months figures from **Commercial Union** and **Royal Insurance** (on Monday and Tuesday) follow the half-time results which were respectively the worst and the best of the composites interim figures. Royal's half-time profits were up from £11.8m. pre-tax to £16.8m. with an underwriting loss at £13.7m., against £11.4m. Commercial Union's six months profits were down from £24.6m. pre-tax to £14.4m. and the underwriting loss from £2.7m. to £23.3m. The market is expecting Royal to report a nine months underwriting loss of around £18m. (against £25.1m.) for a pre-tax increase from £13.8m. to about £26m., while for CU an underwriting loss of £33m. (against £11m.) and pre-tax profits down from £33m. to £29m. are anticipated.

At the time of *its rights issue* in June **Metal Box** was making cautious noises about the current *year trading prospects;* business in the first two months of the year was said to be well below expectations. *Since then the group must* have enjoyed a fairly good level of activity in the summer months *when demand from brewers raced* ahead. However, comparison with a very buoyant period still makes *a downturn in the interim profits* on Monday—from £19.8m. to maybe £16m. pre-tax—look unavoidable and with demand generally now returning to the depressed level of last year's second half a full year total of around £30m. pre-tax (against £36.7m. last time) is probably a maximum hope.

Renold's interim profits on Thursday follow a strong performance in 1974-75 when profits rose by 27 per cent. before tax to £13.12m. The current year apparently started well with orders, particularly for the heavier types of chain, sufficiently strong at least to maintain last-year's high level of profits in the first six months. Later in the year though the group is likely to feel the effects of a fall-off in demand from the lighter end of the engineering market and a small drop, perhaps 5 per cent. pre-tax, in full year profits looks possible.

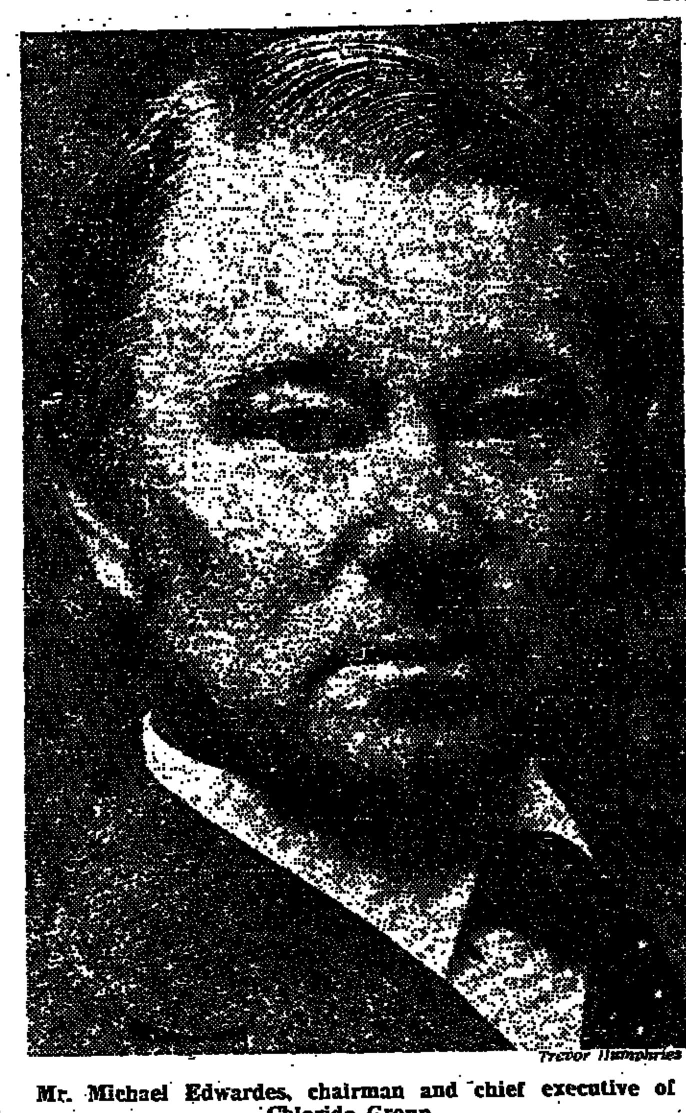
Another engineering company scheduled to report figures next week is **J. H. Fenner** with its prelims on Wednesday.

Also due next week are the interim figures of **Godfrey Davis** *on Monday and the half-time* results from **London and Northern Group, Charter Consolidated, *Young and Co.'s Brewery*, C. E. Heath** and **Powell Duffryn** on Tuesday. **John Folkes Hefo** and **Plantation Holdings** are declaring interim profits on Wednesday while **Robertson Foods, Marchwel Holdings, Dawson International** and **Wheatsheaf Distribution** are producing half-year figures on Thursday. **Wedgwood** is scheduled to announce interim profits on Friday.

Company	Announcement due	Dividend (p)* Last year Int.	Final	This year Int.
FINAL DIVIDENDS				
Barton Transport	Wednesday	—	9.245	—
J. Brockhouse	Thursday	4.41	6.645	3.0
Cambrian and General Securities	Monday	1.74	3.655	1.625
Caron *	Monday	—	Nil	—
Chaddesley Investments	Tuesday	—	Nil	—
John Carr (Doncaster)	Tuesday	0.5	0.9	0.5
Comet Radiovision Services	Tuesday	1.34	1.51	1.3
Enalon Plastics	Wednesday	1.5	2.655	1.5
J. H. Fenner and Co. (Holdings)	Wednesday	1.843	2.848	2.0
W. W. Hall	Friday	0.7	1.411	Nil
House of Sears (Holdings)	Wednesday	—	Nil	—
Judge International	Wednesday	0.45	1.096	0.5
Long and Hambly	Tuesday	0.575	0.875	0.575
Malayan Tin Dredging	Tuesday	2.5	7.25	4.0
Morland	Thursday	3.5	5.997	3.5
Muirhead	Monday	0.55	2.277	0.55
Northern American Trust	Tuesday	0.7	1.5	0.7
RCF Holdings	Monday	0.575	1.488	0.575
Scottish Cities Investment Trust	*Tuesday*	1.75	3.675	1.75
Sheaf Steam Shipping	Tuesday	1.967	2.354	2.374
Southern Malayan Tin Dredging	Tuesday	2.5	7.25	4.0
Titaghur Jute Factory	Tuesday	—	Nil	—(a)
Town Centre Securities	Wednesday	—	0.623	—
Yorkshire and Lancashire Invest. Trust	Tuesday	0.35	0.7	0.35
INTERIM DIVIDENDS				
Allied Leather Industries	Friday	1.173	2.015	
Associated British Foods	Monday	0.556	1.032	
Beecham Group	Thursday	2.45	2.66	
Chalmers Holdings	Tuesday	0.53	0.777	
Chamberlain Phipps	Monday	0.448	1.293	
Charter Consolidated	Tuesday	2.25	3.96	
James Cropper	Friday	0.909	0.75	
Colvins Stores	Wednesday	0.67	2.150	
Dartmouth Investments	Monday	0.168	0.435	
Godfrey Davis	Monday	0.7	2.022	
Dawson International	Thursday	1.03	1.74	
L. A. Dyson	Wednesday	0.503	1.560	
English National Investment	Thursday	0.173	0.762	
F.C. Construction (Holdings)	Monday	0.888	1.74	
Ferguson Industrial Holdings	Friday	2.1	2.445	
John Folkes Hefo	Wednesday	0.3	0.7155	
GEI International	Tuesday	1.157	1.927	
Grampian Television	*Thursday*	*Nil*	*Nil*	
Harcros Investment Trust	Wednesday	0.28	1.12	
Hartwells Group	Thursday	1.605	2.275	
H.A.T. Group	Tuesday	0.390	0.585	
C. E. Heath	Tuesday	1.83	4.272	

Company	Announcement due	Dividend (p)* Last year Int.	Final	This year Int.
Hoveringham Group	Tuesday	Nil	0.325	
International Paint	Thursday	2.374	3.758	
Land Securities Investment Trust	Thursday	1.5	2.475	
London and Lennox Investment Trust	Wednesday	0.35	1.3	
London and Northern Group	Tuesday	1.25	2.0	
Marchwiel Holdings	Thursday	0.779	1.517	
Thomas Marshall Investments	Monday	1.155	2.05	
Metal Box	Monday	4.353	5.969	
Oxley Printing Group	Tuesday	0.833	Nil	
P. Panto	Wednesday	0.7	0.7	
Plantation Holdings	Wednesday	0.78	0.835	
Powell Duffryn	Tuesday	2.25	4.256	
Renold	Thursday	2.5	4.36	
Rexmore	Tuesday	1.103	2.37	
Robertson Foods	Thursday	1.05	2.22	
Rotaprint	Wednesday	1.05	1.598	
Rowlinson Constructions Group	Tuesday	0.58	1.28	
Russell Brothers (Paddington)	Thursday	1.125	2.412	
Seccombe Marshall and Campion	Monday	4.568	8.132	
Selection Trust	Thursday	3.0	9.0	
Streeters of Godalming	Thursday	Nil	0.5	
Time Products	Tuesday	0.16	0.464	
Unerman Holdings	Tuesday	1.4	2.68	
United Engineering Industries	Monday	0.503	1.7043	
Wheatsheaf Distribution and Trading	Thursday	1.35	2.88	
Wight Construction Holdings	Wednesday	2.5	3.155	
Witan Investment	Thursday	0.75	0.75	
Wormalds Walker and Atkinson	Thursday	Nil	Nil	
Young and Co's Brewery	Tuesday	1.0	1.331	
INTERIM FIGURES ONLY				
Anthony Carrimore	Wednesday			
Belgrave (Blackheath)	Tuesday			
Bestwood	Wednesday			
Bremar Holdings	Wednesday			
Commercial Union Assurance	Monday†			
Estates and Agency Holdings	Monday			
Field Brothers	Wednesday			
House of Fraser	Monday(†)			
Humphries Holdings	Wednesday			
Municipal Properties	Wednesday			
Royal Insurance	Tuesday†			
Walker and Staff Holdings	Monday			
Wedgwood	Friday			
F. W. Woolworth	*Wednesday†*			

* Dividends shown net pence per share, and adjusted for any intervening scrip issue. † Third-quarter figures. ‡ Second interim. § Includes second interim for 16-month period. ¶ Includes second interim. (a) In 15-month period.



Mr. Michael Edwardes, chairman and chief executive of Chloride Group.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Aberdeen Land	1.22	Dec. 15	1.11	1.74	1.64*
Berry Trust	0.63	Dec. 19	0.61	0.63	0.61
Brent Walker .....int.	0.35	Dec. 17	0.35	—	0.35
Chloride .....int.	0.96	Jan. 12	0.9	—	3.39
Clyde Blowers	2.19	Jan. 5	1.94	3.02	2.77
Movitex	Nil	—	0.7	Nil	0.7
United Industrial	Nil	—	0.47	Nil	0.8
Warner Holidays .....int.	0.35	April 2	0.35	—	1.04

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues.

Brooke Bond optimism

PROJECTIONS by **Brooke Bond Liebig** still indicate a much improved outlook for the current year, states chairman Sir Humphrey Prideaux.

He again stresses, however, that "for an international group of our size and character there are a great many uncertainties in the political and economic circumstances in which we have to trade which could materially affect the outcome."

In the year ended June 30, 1975, group profit before tax fell from £19.5m. to £14.82m., on sales of £473.71m. (£379.67m.). An analysis *of sales and profit (£000s omitted)* shows: tea, coffee, meat and other food products £515,561 and £8,224; *plantations, £20,820 and £4,538;* livestock, £3,995 and £2,866; and other activities £11,584 and £1,193.

In the U.K. grocery business—Brooke Bond Oxo—the chairman says there were limits to what could be achieved by way of sales growth, so the group had to concentrate on cost reductions. These were "massive and painful" and also costly in terms of redundancy payments and capital expenditure to launch the new distribution system.

However, the company is already leaner and fitter. Its traditional markets are strong and it has some promising new products under development, says Sir Humphrey.

For the Liebig Meat Company it has mainly been a year of consolidation and rationalisation but as with BBO he is confident that Liebig is now poised and ready to expand.

As regards Europe, vigorous action has been taken to stem the losses and the current outlook indicates an overall improvement. The objective is to secure and maintain a profitable base in Europe and various ways of achieving this objective on a long-term basis are currently under examination.

At the year-end total group borrowings showed a reduction from £82.4m. to £79.4m. The proportion of short-term total borrowing has reduced from 57 per cent. to 52 per cent. following arrangements during the year for term loan finance.

Members are told that further term loan finance has been negotiated since June 30 for the purpose of financing essential capital *investment in the U.K.*

It is proposed to increase the borrowing limit to one and a-half *times the borrowing base giving* a limit of £200m.

Meeting, Painters Hall, E.C., *December 12 at 11.30 a.m.*

Staffordshire Potteries expansion

The directors of **Staffordshire** *Potteries (Holdings) are confident* that its range of products is competitive and in demand in the *principal markets of the world,* says chairman Mr. C. W. Bowers, in his annual statement.

And, unless there is any further major world economic decline, the company will continue to maintain its share of export and U.K. markets, he adds. However, he points out margins will continue under pressure until inflation is brought under control.

Although sales advanced by 25 per cent. to £6.16m. in the year to June 30, 1975, margins could not be maintained—principally because of wage cost inflation—and profit before tax was only slightly ahead at £512,000 (£509,000). As reported with the preliminary figures on October 27, the net *dividend total is lifted to 4.927p* (4.617p). It was also then reported that first quarter current year *sales were up by 23 per cent.*

Export sales rose by 30 per cent. to £1.70m in the year under review with *substantial* increases recorded in North America and Western Europe.

Mr. Bowers says the company has been able to sustain full production up to the present. Home and overseas demand for the new 1976 Kilncraft tableware patterns is "buoyant" and detailed plans and costs for a production expansion programme are in the final stages.

The directors and their advisers are considering the best means of financing *this programme. Likely* capital requirements for other sectors of the company will be taken into account in any refinancing operation, members are told. Total capital expenditure last year was £417,000.

Meeting, Stoke-on-Trent, Dec*ember 9, at 12.30 p.m.*

Downturn at Brent Walker

FROM A turnover of £1.99m., compared with £1.5m., profits of **Brent Walker**, the leisure group, fell by £58,703 to £210,818 in the 28 weeks *ended July 13, 1975.*

Stated earnings per 5p share fell from 1.6p to 1.2p. The interim dividend is 0.35p net—*for 1974* an interim and only payment of the same amount was paid from profits of £580,420 which included G. and W. Walker.

	28 weeks 1975 £	1974 £
Turnover	1,997,954	1,502,094
Profit	210,818	269,521
Including:		
Rents	14,169	25,932
Interest receivable	17,445	71,546
Charged:		
Interest paid	34,087	38,661
Taxation	126,000	157,242
Net profit	84,818	112,279
Extraordinary debits	15,157	*20,242

* Credit

The directors explain that the extraordinary charge in 1975 is mainly composed of loss on sale of property held for investment.

*The company has issued pro*ceedings against Hammerson Property and Investment Trust. The *matter is sub judice* and a statement will be issued when it is resolved.

Chairman Mr. L. A. Curtis explains that the decision to invest monies previously held on deposit led to a fall in interest receivable. These monies have been invested in leisure facilities, with a strong growth potential. The group has improved the 12½ acre freehold site at Hackney Stadium and developed the Westcliff Leisure and Country Club complex. The chairman is confident that these ventures provide a sound investment for future profitable growth.

The group has recently entered into an agreement to design and develop a modern luxury 250 room hotel and leisure facility at the El Shams Club in Cairo.

Future developments in the Middle East will be explored jointly by Brent Walker and ARTOC, the Kuwaiti Finance House.

● comment

At the trading level **Brent Walker** is little changed, but since liquid funds have been diverted to the Westcliff leisure centre interest receipts have been reduced by some £54,000, leaving the pre-tax profit 22 per cent. lower. Trading on the catering side would have been *tough but after some ration*alisation the restaurant side is now giving a reasonable return, *while the Westcliff centre—mem*bership hit the maximum figure before the opening—should soon make its mark. Brent Walker hopes to open a similar leisure complex on the South Coast which together with the recent purchase of cinemas from Rank and now the Middle East deal all add *spice* to the shares at 44p. The yield is 3.3 per cent. But the *current legal wrangle with Ham*merson's over the Brent Cross project could prove something of a *short term drag.*

EASTERN PRODUCE

Shareholders in **Eastern Produce (Holdings)** have been *sent details of proposals to* redeem 50 per cent. of the 9¾ per cent. Convertible Unsecured Loan *Stock, 1995-2000,* and the 9½ per cent. Unsecured Loan Stock 1992-97. Sanction is also being sought for the sale of the capital of Robert Hudson South Africa (Proprietary) to Mitchell Cotts for roughly £2m.

Redland marginally ahead so far

IN THE 26 weeks ended September 27, 1975, profits of **Redland** improved from £10.31m. to £10.59m., on sales £6.23m. ahead at £82.55m.

Providing for tax, and minorities down from £1.33m. *to* £750,000 the attributable balance comes through at £4.53m., compared with £3.71m.—earnings per 25p share are stated at 5.41p (4.75p).

Redland normally announces its interim dividend in January—for 1974-75 it amounted to 1.044p net and was followed by a final of 1.828075p. Profit for that year was £19m.

	First half 1975-76 £000	1974-75 £000
Sales	82,550	76,620
U.K.	47,050	38,650
Overseas	35,700	37,970
Profit	10,590	10,310
U.K.	5,360	3,650
Overseas	3,170	4,390
Share associates	2,129	1,770
Taxation	5,310	5,270
Net profit	5,280	5,040
Minorities	750	1,330
Attributable	4,530	3,710

Exports from the U.K. in the half-year totalled £2.39m. compared with £0.84m. and £1.78m. in the year ended March 31, 1975.

For purposes of comparison, the figures for the half-year to September 30, 1974, published a year ago, have been adjusted to reflect the rates of exchange ruling on March 31, 1975. Since April 1, 1975, the equity holding in the Dutch company, Redland-Braas-Bredero Europa (RPB) BV, has been reduced from 55 per cent. to 50 per cent. with the consequence that the results of that company are, for the current half-year, included with those of associates but in the previous year were included with overseas subsidiaries.

If, for comparison purposes results for the 1974 half year are adjusted to take account of this transaction, the profit before tax would become £10m., and the balance attributable to Redland £3.71m.

See Lex

Regalian slumps further

FROM turnover down from £916,221 to £712,859 *in the first* half of 1975, Regalian Properties incurred a heavier pre-tax loss of £1.29m., compared with £0.91m. Last year's deficit was £1.95m.

The chairman Mr. D. J. Goldstone states now that the hoped for improvement in turnover has not yet materialised and the results are therefore disappointing. The company has a liquidity problem and will therefore be able to continue trading pending the upturn in residential *sales,* he adds.

Stated loss per 25p share for the first half is 20.32p (21.27p). There is no interim dividend. The last payment totalled 1.4875 for 1973.

Tax *credit for the half year* £18,688 (£40,863), leaving a net loss of £1.3m., compared with £0.95m.

UNIT TRUSTS

Crescent Intnl. plan offer

Crescent Life Assurance is offering *the Crescent International Plan* to investors this week-end. This is a regular savings open-ended *life* assurance contract using the Crescent International Fund as the underlying investment vehicle. The minimum death cover is fixed as the total of premiums that would be paid up to the policy anniversary prior to the investor's 60th birthday. Initially 90 per cent. of the premiums are invested in units, but this proportion rises to 97 per cent. when the value of units purchased exceeds the minimum death *cover.* The minimum investment is £5 monthly (£60 annually). The company is part of the American *Trust.*

● comment

Investors wishing to obtain the maximum return on their investments consistent with a high degree of security might choose to spread their portfolios on a carefully selected world-wide plan. The **Crescent International Plan** could enable investors to make this spread on a regular savings basis with the added advantages of a high level of *life cover and tax relief on the* outlay. The underlying portfolio has a world-wide spread of investments with emphasis placed on the U.S. and the European markets, areas which the managers consider to have above average growth prospects.

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LAWSON HIGH

Lawson Securities is advertising the **Lawson High Yield Fund** this *week-end,* offering investors an estimated gross yield of over 12 per cent. The underlying port*folio is a mixture of fixed-interest* Preference shares (40 per cent.) and high yielding equities and in*vestment trust income shares.* The minimum investment is £100 Accumulation units, a savings plan *and a share exchange scheme* are available.

● comment

The Lawson High Yield Fund remains among the leaders of the high income trusts and is the most popular in the Lawson stable. The mix of fixed-interest Preference and high yielding equities provides a high starting income with prospects of income growth. The recovery in the equity market may have improved the capital growth prospects, but the reverse side of the coin is that the starting level of income is reduced.

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UNICORN WORLDWIDE

Barclays Unicorn is advertising the **Unicorn Worldwide Trust** this week-end, offering investors the opportunity of spreading their investments overseas. The underlying portfolio is heavily committed to the U.S. market—nearly 50 per cent.—with significant proportions in Japan, West Germany, Australia, Canada and Switzerland. The aim of the fund is long-term capital and income growth, the current estimated gross yield being 3.4 per cent. The minimum investment is £250, and a share exchange scheme is available.

● comment

Some economists believe the worldwide economic scene is improving and that the recovery potential is strong in the United States. Investors wishing to make the best use of his possible recovery are being offered the **Unicorn Worldwide Trust**. Certainly many of the signs look right for the U.S. market to show good returns, but *the experts* have been wrong about the U.S. on previous occasions. This should *be considered in deciding* how much of one's assets are moved in that direction.

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M & G GENERAL

The M. and G. General Trust *Fund is on offer from the* M. and G. group this weekend with a minimum investment requirement *of £200.* The minimum initial charge is 2½ per cent. for this amount, but for the investor with £1,000 or more the group will reduce this to 2 per cent. The annual charge is ½ per cent. The current estimated gross yield is 5.4 per cent. Over the past 24 years the value of units has grown by 454 per cent. while the FT Ordinary Index has risen by 178 per cent.

● comment

The M. and G. General Trust Fund is one of the old-stagers of *the group and a comparatively* large fund. Therefore it is unlikely to display any performance fireworks. It has achieved a steady momentum of its own over the year, aiming for a balance between capital growth and income.

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SCHLESINGERS NIL YIELD

The Trident "Nil Yield" Fund is on offer from Schlesinger Trust Managers this week. The *minimum investment requirement* is £2,500 and the fund is specifically designed for higher rate taxpayers and others (*including* trusts) who have very little gain from receiving income rather than capital gains. The managers expect, however, that there will be a small income distribution from the fund about every 2-3 years. The fund is divided into three broad investment categories—gilts, where the redemption yield is substantially represented by capital gains (30 per cent.); overseas growth stocks (31 per cent.); and 17 per cent. in low-yielding equities, plus a small proportion in the capital shares of split-level investment trusts.

● comment

High yielding unit trusts have been the sales leaders during the past ten months yet a double-digit yield is considerably reduced at a later date if the unitholder pays tax at the higher rate. This is *why the Trident "Nil Yield"* Fund is aiming at capital gains rather than income, although it is *not particularly easy to achieve* this aim in the U.K. equity market. Investors will note the *relatively high proportion of gilt*-edged and overseas stocks.

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ARBUTHNOT HIGH

Arbuthnot Securities is advertising the **Arbuthnot High Income Fund** which offers a current estimated gross yield of 11 per cent. This is derived from a portfolio of which 82 per cent. is in Ordinary *shares and* 18 per cent. is in Preference and convertible stocks. Arbuthnot Securities is *the unit trust subsidiary of the merchant bank,* Arbuthnot Latham. The minimum invest*ment requirement is £200.*

● comment

The Arbuthnot High Income Fund is one of the ultra-high yielders of the unit trust field and is *biased towards high yielding* Ordinary shares rather than Preference stocks. Income is the *main aim but past experience* shows that there is a good chance of capital appreciation in the secondary stage of a *bull market.*

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TYNDALL OVERSEAS

Tyndall Assurance is advertising the **Tyndall Overseas Investment Fund** which is based on the Tyndall Overseas Fund—a U.S. dollar fund, based in Bermuda, which holds an international equity portfolio. More than 50 per cent. of the latter is in North American stocks, the other major categories being Europe and the Far East. The Bermuda-based fund can change its investments without paying capital gains tax and without incurring and surrender of the dollar premium.

● comment

The **Tyndall Overseas** *Investment Fund is offered via the* Tyndall Assurance Company and basically represents an alternative to investors who might otherwise think of either investing on their own accounts (thereby incurring the dollar premium) or investing through a managed fund. The latter might well rely on back-to-back foreign currency loans which present their own dangers in these days of floating rates. Tyndall believes that *its method* is the most effective in avoiding both costs.

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BIDS AND DEALS

;entral & Sheerwood ffer for Ashbourne

:ntral and Sheerwood, an ıstrial and financial holding ıp, is making a bid—worth n. nominal on loan stock— Ashbourne Investments.

;hbourne first became subject a bid from a consortium ıding Crest International urities and Corporate Guaran- Trust in late 1973. But the ;ortium failed to fulfil the gation to bid at 46p a share it incurred by purchasing per cent. of the Ashbourne ty.

ıe offer for Ashbourne from tral and Sheerwood is 18p inal of a new 12 per cent. nd S. loan stock. However, e is a cash alternative of 20p ıare available to all share- ers who are not consortium ıbers. The alternative will be available to holders of consortium shares including iew and Mr. Bernard ər, a South African business-

agreeing to the outline terms he bid the City Panel on overs and Mergers, has led that merchant bankers dts, who undertook to under- part of the original cash by the consortium, has no ation to make any offer for ourne.

spite of this decision by the l, Brandts is agreeing to ee the cash alternative ıgh providing a five-year ed loan of £884,000 at 12 per to C. and S. and through ribing for warrants of C. and ıich will provide a further 0.

remains unclear whether ourne shareholders, in ɪular those who hold the r cent. of the equity related e initial bid consortium, will t the C. and S. terms, ɪularly since they are ded from the cash alterna-

Neil Shields, a director of d S. said yesterday that the sition of Ashbourne repre- d an attractive proposition to ompany. It had profitable trial subsidiaries which d S. could continue to run in addition was in part a ey box" with over £600,000 sets which could be readily d into cash.

id for Trianco, Page 20
See Lex

TER RYDER ONEY BROKING

er Ryder is making early gements for the completion e sale of its interests in y broking to M. W. Marshall tments.

ial terms of the disposal announced in June 1972. these proposals Cater was selling 90 per cent. of ioney broking business to all, a company formed by executive directors and n of the staff of the money ıg subsidiaries.

The initial terms included a basic price of £800,000 with further sums related to the commission earnings of the money broking subsidiaries in each of the five years 1973 to 1977.

Cater Ryder said yesterday that since these terms were agreed increasingly the business of the two companies has become less complementary, and agreement has now been concluded for their early completion, including the disposal of Cater Ryder's remaining 10 per cent. interest in Marshall and Company to Marshall Investments. Total price being paid in the deal is £1.1m.

As part of the arrangements Mr. R. R. St. J. Barkshire, the chairman of Marshall Investments has resigned from the Board of Cater Ryder.

Gerrard & Natl. buying rest of Murray-Jones

Gerard and National Discount is taking control of Murray-Jones Group which includes one of the City's leading money brokers. Gerard and National already has 44 per cent. of the Murray-Jones, the bulk of which was acquired three years ago.

Now, subject to shareholders approval, it will be paying £745,000 over three years for the 45.9 per cent. of the group's capital owned by European Oriental Investments, a company controlled by Mr. Paul Murray-Jones the group's chairman and chief executive.

Gerard and National said yesterday that it intends to cary on the international money broking business of Murray-Jones. Mr. Paul Murray-Jones, who has recently moved to Hong Kong, has resigned as chairman and chief executive but will remain as a consultant for three years.

Mr. Hilton Clarke, a former principal at the Discount Office of the Bank of England, will be joining Murray-Jones. A new chief executive for the money-broking business has yet to be appointed.

The staff of the Murray-Jones who own 9.97 per cent. of the equity will be made an offer on the same terms as that made to Mr. Murray-Jones.

SHARE STAKES

Anglo Continental Investment and Finance announces that Generale Occidentale S.A. has purchased a further 255,664 shares in the company and now holds 22,752,931 shares (66.23 per cent.)

Standard Chartered Bank announces that Midland Bank's interest in the ordinary shares of the bank totals 10,892,287 shares and not 9,722,287 shares as previously reported.

Mr. S. Bobroff has purchased 12,500 shares in Countryside Properties.

Reliance Knitwear announce that Slater Walker, its subsidiary, investment trust etc no longer have an interest in the ordinary capital of Reliance Knitwear.

Malayan Tin Dredging announce that Anglo Oriental and General Investment Trust has sold 30,000 shares in Malayan Tin Dredging making holding 813,333 shares (14.1 per cent.).

ARCHIMEDES SALE

During the period September 1 to October 15, 75,000 income shares in Archimedes Investment Trust were disposed of, and as a result the interest of the Post Office Staff Superannuation Fund was reduced to 175,000 income shares (14.2 per cent. of that class).

Total interest in the equity capital has been reduced to 27.5 per cent.

ALEX. LAWRIE FACTORS

Walter Duncan and Goodricke has now completed the sale of Alex. Lawrie Factors to Lloyds and Scottish.

AUSTRALIAN CARBIDE

The directors of Australian Commonwealth Carbide are recommending that the company be placed into voluntary liquidation.

A circular and notice of an EGM will be despatched as soon as possible.

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and mergers

The bids and mergers sector started the week on a promising note, but subsequently interest faded. Two manufacturers of car accessory products, **Lloyds Industries** and **Holt Products**, announced on Monday agreed terms for a proposed amalgamation. Following a rise in the share price of both companies in response to the news, their current combined stock market capitalisation is £5.8m. The merger would produce the largest car care products group in Europe with, at the last count, a turnover of some £14m. and profits of about £1.2m. The deal is to be effected through a new company which will offer seven of its shares for every ten of Holt and one for each Lloyds. The resultant percentage split of the new company's shares between Holt and Lloyds would be approximately 62 and 38 respectively.

Late the previous Friday came news of an agreed take-over offer from the industrial holding concern **Pentos** for the 73 per cent. of the equity of **Marshall Morgan and Scott**, publishers, not already owned. The two companies are already closely associated and both have the same chairman, Mr. Terry Maher. The terms of 1½ Pentos shares plus 50p of a new 15 per cent. Convertible Loan, 1985, for each MM and S share values the whole MM and S equity at 3.6m. Instead of 50p of Loan stock, accepting shareholders are given the option of taking 40p cash and 10p of Loan stock.

Central and Sheerwood Trust has acquired 26.5 per cent. of the equity of engineering group Trianco at 7.02p per share, raising its stake to 37.3 per cent. In accordance with the Take-over Code, C and ST intends to make an offer in due course for the remaining issued Ordinary shares.

Company bid for	Value of bid per share k	Market price k	Price before bid	Value of bid (£m's) k	Bidder	Final Acc't'ce date
Prices in pence unless otherwise indicated.						
Andre Bernard	6½*	6	5	0.1*	Hepmead	—
Atlas Stone	115*	115	60	4.5*	C. F. Eternit	—
Clifton Invs.	4½*d	10½	4½	0.15*d	Aries Hldgs.	—
Court Hotels	50*	32½	32½	1.3*	BSQ Secs.	—
Darwson & Barfos	56	52	48	3.4	Mthws. Hldgs.	2/12
Felixstowe Dock	150*	124	90	5.2*	Brit. Transport Docks Board	—
Great Boulder	76d	72	70	46.5d	Western Mng.	—
Gresham Hotel	135*	135	—	1.1*	Tunney S. Htls.	—
Holt Products	—	40½	32	5.8e	Agreed merger	
Lloyds Inds.	—	60	53			
Hothlyn Cpn. "A"	53*d	50	40	3.2*d	Mr. Abe Goldberg	—
Hothlyn Cpn. "B"	53*d	50	46	0.9*d	Mr. Abe Goldberg	—
Lincoln Corn Exch.	£10*	£10	£10	0.5*	Tripdene	—
Magnet Joinery	—	200	130	44.7e	Agreed merger	—
Southern-Evans	—	143	92½	44.7e		
Marshall Morgan & Scott	98½d	93	77	2.6d	Pentos	—
Morris (Herbert)	60*d	66	54	1.2*d	Amal. Industls.	—
New Lond. Props.	250*d	245	165	5.1*d	Pearl Assur.	28/11
Permali	33d	31½	15	2.5d	BTR	22/11
Robinson Rentals	202d	196	160	7.3d	Granada	—
Scotia Invs.	17*d	17	20	0.6*d	Alco Metrop. Properties	—
Seaham Harbour	£26*	£5½	£5½	0.6*	Tinline Ests.	—
SA Distilleries	420d	400	380	6.7d	Oude Meester	—
Walmsley (Bury)	60*d	55½	37	1.6*d	Beloit Cpn.	—

* All cash offer. b Cash alternative. c Partial bid. d For capital not already held. e Combined market capitalisation. f Date on which scheme is expected to become operative. g Based on 14-11-75. k Based on 13-11-75. n Notional value. ‡ At suspension. ÷ Bid.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
Allied Ldn. Props.	June 30	824	(794)	5.4	(6.6)	2.258	(2.327)
A. Arenson	July 31	318	(569)	2.8	(9.4)	1.912	(1.791)
Assam-Dooars	Dec. 31	1,223	(451)	38.4	(24.4)	7.737	(7.25)
Assam Frontier	Dec. 31	1,117	(609)	30.4	(19.5)	7.15	(6.7)
Bridport-Gundry	July 31	723	(974)	4.5	(6.5)	1.036	(0.955)
Burndene Invs.	May 31	587	(736)	3.2	(3.9)	0.828	(0.776)
Common Bros.	June 30	1,517	(378)	30.8	(2.7)	4.73	(4.452)
Concentric	Sept. 27	1,265	(614)	4.0	(1.8)	1.788	(1.6)
R. & G. Cuthbert	June 30	105	(537)	0.4	(4.3)	0.35	(1.6)
Derritron	Apr. 30	74	(100)	0.2	(0.3)	Nil	(0.25)
G.R. (Holdings)	June 30	1,346	(1,186)	58.5	(51.6)	15.5	(14.774)
Haighton & Dwhst.	June 28	106	(4.15)	1.7	(5.2)	0.923†	(0.882)
Herman Smith	June 30	239	(213)	3.1	(1.6)	0.394	(0.369)
Jenks & Cattell	July 31	339	(327)	11.3	(11.1)	1.577	(1,477)
G. & G. Kynoch	Aug. 31	65L	(35)L	—	(—)	Nil	(1.0)
Lucas Industries	July 31	32,340	(17,640)	23 2	(13.2)	5 255	(4 925)
Newman Granger	July 31	446	(344)	5.4	(4.0)	1.261	(1.182)
Rakusen Group	June 30	111	(102)	1.1	(1.0)	Nil	(0.335)
Sandhurst Mktg.	June 30	287	(254)	6 4	(6.0)	1.708	(1 6)
Tricoville	July 19	374	(296)	5.9	(4.8)	1.167	(0 923)
Westward TV	July 31	295	(185)	1.3	(0 7)	1.0	(1 323)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
Acrow	Sept. 30	3,003	(2,310)	2.0	(1.75)
Alginate Inds.	June 30	795	(801)	4.0	(4 0)
Aquascutum	July 31	328	(326)	—	(—)
Avana Group	Sept. 27	275	(25)	0.3	(Nil)
Edward Bates	Sept. 30	299	(497)L	Nil	(Nil)
Booth (H. Hlgs.)	June 30	172	(104)	1.34	(1.34)
John Bright	Oct. 4	605	(567)	0.95	(0.95)
Chamberlin & Hill	Sept. 30	212	(188)	1.0	(0.9)
Clement Clarke	June 30	402	(202)	0.575	(0.75)
John Crowther Gp.	June 30	139L‡	(104)	—	(—)
Davies & Newman	June 30	763L	(392)L	2.18	(2.01)
George Doland	July 31	62	(57)	—	(—)
E. Midland Allied	Oct. 11	316§	(370)	1.063	(1.063)
Fairdale Textiles	Aug. 2	161	(178)	0.3	(0.267)
General Accident	Sept. 30	10,200¶	(24,600)	—	(—)
Edward Jones	June 30	65	(91)	—	(—)
Lilleshall	June 30	198	(212)	0.95	(0.95)
F. H. Lloyd	Sept. 27	1,742	(1,818)	1.38	(1.25)
Minster Assets	June 30	2,534	(2,065)	1.5	(1.5)
Nelson David	Sept. 30	24	(33)L	—	(—)
Walter Runciman	June 30	1,515	(1,111)	—	(—)
J. Sainsbury	Sept. 30	5,739§	(7,520)	1.65	(1.5)
Sumrie Clothes	Sept. 27	10	(116)	Nil	(1.196)
Unilever	Sept. 30	205,600¶	(269,700)	5.24a	(4.85)
J. O. Walker	June 30	182	(188)	0 975	(1 005)
Wharf Mill Fshrs.	Sept. 30	58	(45)	0 548	(0 514)
B.S.&W. Whiteley	Sept. 30	47	(247)	0 5	(0 5)
H. Woodward	Mar. 31	177	(53)	0 4	(0.4)

(Figures in parentheses are for corresponding period.) Dividends shown net except where otherwise stated. * Adjusted for any intervening scrip issue. † Gross. ‡ Net trading. § For 28 weeks. ¶ For 9 months. a Limited only. L Loss.

Offers for sale, placings and introductions

Essex Water Co.: Offer for sale by tender £3½m. 9 per cent. Redeemable Preference Stock 1981 at £98 per cent. minimum price.

Rights Issues

Spillers: Two-for-seven at 38p each.

Scrip Issues

Johnson and Barnes: One-for-one.

No scheme for 14 Stern companies

Attempts to bring 14 companies in the Stern Group into a Scheme of Arrangement already encompassing 51 Stern companies have been unsuccessful.

It had not been possible to get the necessary degree of support from the secured creditors of the 14, Mr. Justice Templeman was told in the High Court yesterday. By consent he dismissed petitions by the 14 companies to sanction the scheme.

In July, following the sanctioning of the scheme in respect of 51 companies, the judge was told that there were good prospects of persuading the secured creditors of the remaining 14 to assent to the scheme. The support of 60 per cent. of the secured creditors was required. The companies' unsecured creditors overwhelmingly supported the scheme.

At the last hearing Mr. Donald Nicholls, QC, for the 14 companies, said that the secured creditors were not out to wreck the scheme. For their own protection they wanted certain matters covered.

It had been hoped that amendments to the scheme could be formulated that would satisfy the secured creditors, without prejudicing the 51 companies.

MERCURY SECS.

Mercury Securities announces that the group's profits for the first six months of the current year to March 31, 1976 are higher than those for the corresponding period of the previous financial year.

The group's activities include merchant banking, metal trading and refining, insurance and shipping, employee benefit consultancy and advertising agency. It owns S. G. Warburg and Co.

Utd. Industrial second half recovery

After incurring a loss of £28,604 against a £87,208 profit at midway, United Industrial Co. reports that a second half expansion from £23,627 to £68,791 resulted in taxable profits for the full year to June 30, 1975 of £40,187 compared with £110,835 for the corresponding period.

Earnings per 10p share are shown to have fallen from 1.39p to 1.09p. There is no dividend against 0.8039p net total last year.

	1974-75 £	1973-74 £
Turnover	2,303,911	2,878 891
Pre-tax profit	40,187	110,835
Tax	36,690	55,290
Net profit	3,497	55,543
Extraordinary debits	79,871	1,192

Better first half from Sphere Trust

Management expenses at Sphere Investment Trust increased from £21,378 to £39,423 but with interest charges steady at £70,250, taxable revenue improved from £631,145 to £698,557 in the first half to September 30, 1975.

A higher interim dividend of 1.02p net (0.94p) per 25p share has already been announced but the directors said at the time of declaration that this should not be taken to indicate an increase over last year's total of 2.04p.

Revenue amounted to £0.81m. (£0.72m.). Tax was £266,815, compared with £220,051, leaving £431,742 (£411,049) net. For the full year 1974-75 net revenue was £733,815.

Net asset value per share is 105.1p, against 89.4p.

	Half-year 1975 £	1974 £
Management expenses	39,423	21,378
Income	808,230	722,773
Interest	70,250	70,250
Revenue before tax	698,557	631,145
Tax*	71,288	81,017
Imputed tax, etc.	195,527	159,024
Revenue after tax	431,742	411 094
Preference dividends	21 569	21,569
Interim	382,940	279 150

* Includes £26,095 (£15,853) withheld.

At September 30, 1975 investments were valued at £34.92m., compared with £29.34m. at March 31, 1975. Net current assets, allowing for dividends, are £0.45m. (£1.38m.).

Movitex makes headway

Plastic and specialised engineers, Movitex announces an advance in pre-tax profits from £108,396 to £139,682 for the year to February 28, 1975 after a rise from £71,000 to £94,400 at halfway.

Earnings for the year per 10p share rose from 1.281p to 2.862p. There is no dividend against 0.7p net last year.

The directors state that during the year the company wrote off exceptional amounts of £106,000 arising from the closure of two engineering companies. In view of this and the need to husband resources, the Board has decided not to recommend a dividend at this time, an announcement in respect of the current half yearly results will be made shortly and it is anticipated that shareholders will be advised of the likelihood of the resumption of a dividend at that time.

Reduced loss at Monument Securities

Turnover of Monument Securities fell sharply from £6.28m. to £1.7m. during the year to March 31, 1975, but the company reduced its pre-tax loss from £223,695 to £108,798. The 1973-74 figure includes a loss of £7,169 from an associate.

At half-time the loss was £69,300, compared with £39,000.

Stated loss per 10p share for the year is 2.33p (2.53p) and there is again no dividend payment—last payment was 0.8085p net for 1972-73.

The directors say in these difficult times it is impossible to forecast results as this depends largely on the ability of Universal Towel Company to maintain its growth and continue to finance group overheads.

There is a tax charge of £5,185, compared with a credit of £49,807, leaving a net loss of £173,983, against £173,888.

Loss attributable is £567,428 (£709,779) after £25,809 (£322,000) written off goodwill, £35,000 (nil) written off freehold premises and 333,291 (nil) loss on sale of subsidiaries.

RECENT ISSUES

EQUITIES

Amount Paid Up	Latest Renunc. Date	1975 High	1975 Low	Stock	Closing Price pence	+ or −	Div. P. or Amount	Times covered	Gross Yield	P/E Ratio
F.P.	—	169	117	Corn Exchange	117	—	b1.62	2.5	1.5	—
F.P.	7/11	380	325	Slandard G'd Min'g 20c	325	—10	—	—	—	—

FIXED INTEREST STOCKS

Amount Paid up	Latest Renunc. Date	1975 High	1975 Low	Stock	Closing Price	+ or −
:10	30/1	10	9⅞	Bristol (City of) 13¾% Deb. Stk. 1981	9¾	—½
:30	11/2	30¼	29⅛	Coventry (City of) 13⅞% Red. Stck. 1980	29¾	—¼
F.P.	15/10	138½	113	Haslemere Est. 9⅞% '90-5	122	
:50	9/1	61½	49⅞	Islington 13⅞% Red. Stk. 1980	51	—¼
:50	9/1	49¾	47½	Do. 14% Red. Stk. 1985/6	47¾	—¼
F.P.	28/11	100	98¾	Lee Valley Water 9% Red. Pref. 1980	100	+¼
F.P.	—	100	98½	Midland Bank Float Cap Notes '82	100	......
F.P.	—	98	98	Noranda 9¾% Notes 1980	$C.98	......
F.P.	—	98	98	Do.	$U.S101¼	......
:25	23/1	27¾	26	Norcros 15¼% Deb. 1990/95	27¼	—½
Nil	17/11	¼p	⅛p	Single 10% Cum. Conv. Pref.	¼ppm	......
F.P.	28/11	120	110	Spirella 14% Conv. 1990	112	......
F.P.	—	98	98	Trans Union Fin Can 10⅞% notes 1980	$C.98	......
F.P.	31/10	99½	98	York Waterworks 9% Red. Pref. 1981	98½	+½

"RIGHTS" OFFERS

Amount Paid up	Latest Renunc. Dates †	Latest Renunc. Dates ‡	1975 High	1975 Low	Stock	Closing Price p***	+ or −
F.P.	—	—	35½	30	Amal. Distilled Products	31	—1
F.P.	28/10	25/11	73	62	Babcock & Wilcox	70	+1
F.P.	—	—	146	126	Cape Inds.	134	—6
Nil	—	—	12½	10	Charles (David)	11½pm	+½
Nil	—	—	31½	24	Debenhams	27pm	—1
F.P.	30/10	28/11	72½	60	Grand Met. Hotels	71	+½
Nil	—	—	212½	161½	Harrisons & Crosfield	162pm	—18
F.P.	28/10	12/12	382	330	I.C. Gas	382	+2
Nil	—	—	90	82	Minet Holdings	95pm	+1
F.P.	30/10	9/12	89	69	Northern Foods	70	......
F.P.	3/11	3/12	28¾	25	Peacock Hasnit	28	......
Nil	29/10	31/10	29	23	Raybeck	27½pm	+½
Nil	—	—	3	3	Trust Bank Africa	3pm	......
Nil	12/11	14/11	24	10½	Weir Group	22pm	......

...unciation date usually last day for dealing free of stamp duty. a Placing ...public. b Figures based on prospectus estimate. d Dividend rate paid or ...on part capital, cover based on dividend on full capital. p*** Pence ...otherwise indicated. g Forecast dividend; cover based on previous year's ...s. T Figures assumed. ‡ Cover allows for conversion of shares not now ...for dividends or ranking only for restricted dividends. ** Issued by tender. ...ed to holders of Ordinary shares as a "rights." ♥ 280 S.Afr. cents. ♦ Rights ...of capitalisation. †† Tender allotment price. ♣ Reintroduced. ‡‡ Issued in ...ion with reorganisation, merger or take-over. ♠ Introduction. ♣ Issued to ...Preference holders. ‡ Allotment letters (or fully-paid). † Provisional or ...aid allotment letters. ≴ With warrants.

FRIDAY'S COMPANY NEWS

Smiths Inds. moves ahead to £12½m.

IN THE last 13 weeks of 1974-75 profits of Smiths Industries amounted to £3.54m. which brings the total for the year ended August 2 to a record £12.54m.—an increase of some 11 per cent. on the previous year.

The profit was struck after heavier interest—up from £1.93m. to £2.50m.—mainly relating to additional finance required for working capital—borrowings were reduced at the year-end by the July rights issue, the directors state.

After tax and minorities the net balance emerged at £6.06m., compared with £5.19m. Earnings per 50p share improved from 15.4p to 17.5p: but the return on total funds employed fell from 18.8 to 18.2 per cent.

The net dividend total is raised from 3.1471p to 3.8985p, with a final of 3.4302p, as forecast on the increased capital.

	1974-75 £000	1973-74 £000
Turnover	137,300	125,730
Trading profit*	15,117	13,214
Interest	2,574	1,925
Profit before tax	12,543	11,289
Taxation	6,442	6,000
Net profit	6,101	5,289
Minorities	44	—
Extra-ordinary debits	—	103
Attributable	6,057	5,186
Dividends	2,381	1,771

* After depreciation of £1,910,000 (£1,732,000).

The directors report that *trading profits of businesses associated with the supply of consumer durables and of overseas companies were lower in most cases, but this was offset by improved results in other areas notably aerospace, medical, marine and distribution.*

A sum of £620,000 was charged against profits in respect of redundancy and related payments. Tax deferment if allowed on stock movement on the same basis as last year would amount to £3.2m.

● comment

Smiths Industries full-year pre-tax profits advance is a shade better than was anticipated at the time of the July rights issue, *incorporating a second-half shortfall of* only 5 per cent. At the trading level, *second-half original* equipment profits are sharply lower, by 40 per cent., and although "other" industries are ahead on the year, the recession in industrial equipment orders within this division has produced a second-half downturn of 36 per cent. However, aerospace and marine *have forged ahead by a combined* 47 per cent. to account for nearly 30 *per cent.* of trading profits, distribution has held up well and the overseas interests staged a comeback *of over a tenth in the* second half, as the withdrawal *from motor trade wholesaling in* Australia took effect. Interest *charges continued to rise (by a* fifth in the second half) but the £8¾m. rights issue has partly offset the rise in borrowings which stood at 30 per cent. of capital employed in 1974. Having played their part in the recent rally in motor component shares, a yield of 6.9 per cent. and a p/e of 7¼ at 135p are *not out of line* with comparable shares.

HIGHLIGHTS

First-half profits reported by **Courtaulds** are at the better end of expectations but the market could not overlook the *cautious statement about second-half prospects and the shares* lost 7p by the close last night. **Coats Patons** is perhaps a shade more encouraging and the shares held a 1p gain, the statement seeing some signs of the recession bumping on the bottom. These figures are discussed in Onlooker, which also *comments on the **Boots** half-year—where profits are up by* one-sixth after a £4.4m. pension provision—and on the **Philips'** third-quarter slump in profits. *Full-year results from **Smiths** Industries* are rather better than anticipated at the time of the July rights issue, and **Chubb** shows a good improvement at mid-term while **Head Wrightson** is making a strong recovery. **Boddingtons Breweries** is well ahead at half-time and making *a scrip issue, but **Pork Farms** is down by about a quarter.*

Adams Foods progress

At yesterday's annual meeting of Adams Foods, the chairman, Mr. J. H. Adams, referred to a "*most satisfactory*" year *and told* shareholders that the group's *diversification policies had been* "entirely vindicated" by the growth in non-butter areas.

The diversification at the *Cardiff longlife milk plant into a* range of fruit juice had *developed as planned during the year.* The factory, Mr. Adams said, was *running at top gear to meet* demands.

It had also been a "particularly successful" year in the performance of the group's butter and cheese interests. It had *increased its market share overall* and throughput had achieved record volumes at certain *periods.*

Improving trend at Boddingtons

DUE TO buoyant trading, profits, *before tax of Boddingtons'* Breweries advanced from £640,785 *to £973,070 in the first half of 1975* and the chairman Mr. E. Boddington says there are sound indications the company will maintain this improving position in the second half.

However, costs have continued *to rise and every effort to keep* these in check will be needed if *progress is to continue,* he points out. Profit in 1974 totalled a record £1.41m.

The interim dividend is being held at 1.75p net and the directors propose to make a final of 1.0833p (0.905p). In order to reflect more accurately capital employed a one-for-two scrip is also proposed.

	Half-year 1975 £	1974 £
Turnover	4,665,903	3,437,437
Trading profit	1,018,991	712,014
Investment income	18,949	7,050
Bank interest	7,858	11,069
Debenture interest	17,471	22,337
Loan stock interest	15,283	15,285
Depreciation	24,158	21,580
Profit before tax	973,070	649,785
Tax	516,000	354,000
Net profit	457,070	295,785
Prop. sale surplus	7,950	73,200
Attrib. Ordinary	465,020	368,985

● comment

On the back of the trend towards "traditional" beers **Boddingtons'** Breweries is pushing up sales volume by something like 12 or 14 per cent.—far above the national *average. Profits, meantime, have* strided ahead by 50 per cent. pre-*tax. Boddingtons' own beers* account for 84 per cent. of its *houses' sales, and demand* continues to grow, not only on the "real" ale aspect but also because of price competitiveness, and sales to the free trade are up 150 per cent., though admittedly from a low base. Sales have not shown any signs of tailing off, and despite margin pressures in the current six months £2m. pre-tax for this year seems a reasonable expectation. The shares lost 1p *yesterday* to 119p in a generally *easier market,* but Boddingtons' still commands a premium rating *on a historic p/e of 17, dropping* to 11 prospective.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Alida Packaging ..... int.	1.31	Jan. 7	1.35	—	5.18
Allnatt Props. ..... int.	0.84	Jan. 2	0.84	—	3.18
Boddingtons ..... int.	1.75	Dec. 11	1.75	—(e)	2.66
Boots ..... int.	0.89	Jan. 9	0.81*	—	2.24*
Chubb & Son ..... int.	1.12(b)	Dec. 8	0.56	—(c)	2.85
Coats Patons ..... int.	0.94	Dec. 31	0.87*	—	0.87*
Cope Sportswear ..... int.	0.29	Dec. 30	0.28	—	0.55
Courtaulds ..... int.	1.96	Jan. 12	1.84	—	5.6
James Dawson	1.25	Jan. 5	1.25	—(a)	4.42
Elswick-Hopper ..... int.	0.3	Jan. 31	0.29	—	0.59
R. Green Props.	0.84	—	0.84	1.34	1.34
Head Wrightson ..... int.	0.97	Jan. 6	Nil	—(d)	1.12
Allan Kennedy ..... int.	0.9	Jan. 19	0.85	—	2.45
Malayalam ..... int.	0.35	Dec. 19	0.35	—	0.35
Medminster	0.81	Dec. 11	0.84	1.63	1.68
Menteith Inv. Tst.	0.25	Jan. 2	0.35	0.45	0.45
Moss Engineering	2.54	Jan. 7	2.33	3.38	3.17
Pork Farms	3.3	Jan. 2	3.3	—(c)	7.12
Porter Chadburn ..... int.	0.98	Jan. 2	1.01	—	3.93
Priest Marians	1	Jan. 6	7.7	1	7.7
Pyramid Group ..... int.	0.54	Dec. 22	0.54	—	1.83
Roberts Adlard ..... int.	1.31	—	1.31	—	3.26
Shellabear Price ..... int.	0.88	Jan. 7	0.88	—	2.28
Smiths Inds.	3.43†	Jan. 5	3.32	5.9	5.15
Weston Pharm. ..... int.	0.6	Jan. 2	0.6	—	2.11
White Drummond	1.66	Jan. 9	1.67	2.82	2.64
Viners	0.42	—	0.4	—	1.06

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. (a) 4.42p forecast. (b) To reduce disparity. (c) Maximum permitted forecast. (d) Final of 1.625p forecast. (e) 1.0833p final proposed.

and earnings, and some investments have been made *through* the investment currency premium.

In addition, they have re-established a dollar loan facility *of* $US500,000 in order to facilitate further overseas investments.

As reported on November 4 net taxed revenue decreased from £298,044 to £278,782 in the year to August 31, 1975.

Group investments appeared at £5.69m. (£5.62m.) including quoted £5.59m. (£5.45m.) with a market value of £6.73m. (£4.52m.). Net asset value per Ordinary share was *146.1p (105.1p).*

Meeting, New Court, St. Swithin's Lane, E.C., December 16, at 2.45 p.m.

Over £2m. for Head Wrightson

FOR THE current year, heavy capital goods engineers **Head Wrightson** is expecting profits of at least £2.13m., and intends to pay a dividend of 2.6p net. These would compare with *£0.3m. and* 1.125p respectively in 1974-75. An interim of *0.975p is now declared.*

In the half year ended July 31, *1975, the group has turned round* from a loss of £1.42m. to a profit *of £1.08m., and the directors* expect an improvement on this in *the second half.* With the exception of the stockholding division and Pardor the group was busy, but this is not wholly reflected in profits because of the timing of contract completions.

Orders received totalled £28.5m., which is considered to be a reasonably satisfactory rate of input in relation to the forecast turnover of some £60m. for the year.

Despite the possibility that the *recession will continue through* the greater part of 1976, the *group's prospects for the next* year are considered by the directors to be "reasonably encouraging."

Liquidity is satisfactory. There will be a substantial net inflow from the sale of the stainless steel stockholding interests to British Steel Corporation, and forecasts also show a net inflow from trading. Close attention will continue to be paid to liquidity so that the group will be in a position *to meet the demands of the* market from the start of the *upturn in world trade.*

	First half 1975 £000	1974 £000	Year 1974-75 £000
Turnover	29,215	23,717	53,165
Trading profit	1,358	*1,079	1,168
Interest paid	339	350	853
Invest. income	17	13	17
Profit before tax	1,067	*1,416	302
Taxation	558	†398	134
Extraord. credits	20	—	‡153
Net profit	529	*820	15

* Loss. † Credit. ‡ Debits.

● comment

Head Wrightson's recovery which started in the second six months of last year, has continued at a *cracking pace. The massive* internal changes carried out by *the group have enabled it to* achieve a first half profits turnround of almost £2¼m. and put a total of around £2¼m. pre-tax in prospect for the full year. With the exception of the steel stockholding side and one small engineering company all divisions are now on an improving trend, even though demand generally is still very depressed. The finance *position is little changed from the* level of the 1974-75 accounts when net borrowings stood at *£4.9m.* but the group should soon be receiving around £3m. from the sale of its stainless steel stockholding division to the BSC, and that should leave it well placed to take advantage of any pick-up *in activity. At 37p the shares* yield a prospective 11.1 per cent. *which should be covered 3.4* times.

Upsurge at White Drummond

FROM *turnover little changed at* £3.73m. against £3.75m., unit trust *managers,* **White Drummond and Co.,** achieved an upsurge in profits *from £790,376 to £1,339,952 subject* to tax of £579,752 compared with £161,788.

Profits do not take account of extraordinary items comprised of liability arising from underwriting, with others, guaranteed income bond fund of another company £48,000 (£67,000) and goodwill written-off £130,501 (nil).

Earnings per 5p share are shown to have risen from 7.4p to 8.8p and the dividend is lifted from 2.638p to 2.815p with a final payment of 1.664p net.

● comment

Up from a low of 65p this *year to 135p yesterday,* **White Drummond's** shares are an indicator of the fortunes of the unit trust business, since the company is the parent of the M and G group. And the latter has certainly done very well this year for 1975 pre-tax profits are almost back to the 1973 figure. One third of the total stems from guranteed deposit bonds, while two-thirds derives from unit trust sales which have been booming *this year. Next year will depend* on the continuance of the healthy *sales trend and the ability of* M and G to convert the guaranteed deposit bondholders *to its* other products. The bonds are drawing to the end of their two-year term and total £37.5m.

SHIP MORTGAGE

In the first half ended September 30, 1975, profits of Ship Mortgage Finance have fallen from £462,500 to £401,434.

Pork Farms' six months decline

MANUFACTURERS OF meat products, Pork Farms reports a contraction in taxable profits from £625,000 to £473,000 for the six months to August 30, 1975 despite an improvement in turnover from £8.91m. to £10.27m.

Chairman, Mr. D. C. Samworth says the present economic outlook makes the task of forecasting for the year "*difficult in the extreme.*"

He adds that the half year *reduction in profits is in line with* his last annual statement and *reflects the very high prices paid* for meat, coupled with the effect on selling prices of prices control legislation.

Stated earnings per 10p share are down from 9p to 6.5p. The interim dividend is held at 3.304p net and it is intended to recommend a maximum permitted final. Last year's total was 7.1229p from profits of £1.24m.

	Half-year £000 1975	£000 1974	Year £000 1973-74
Turnover	10,274	8,912	19,579
Trading profit	820	767	1,533
Interest payable	147	142	289
Profit before tax	673	625	1,244
Tax	346	325	579
Net profit	327	300	665
Extraord items	—	—	74
Minorities	8	9	11
Available	319	291	580

● comment

Since the market had already been warned that the rapid escalation in pork prices was fast eroding *Pork Farms' margins,* there is little surprise in a first-half *pre-tax shortfall of some 24 per cent.* on a sales gain of 15 per cent. The main problem is the delay in getting price increases through Government channels: pending the sanction of any increase, Pork Farms could be losing anything up to £15,000 per week, and three price increases were necessary during the first half. Pork Farms is now paying 48 per cent. more than at this stage last year for its pork, but it is estimated that over the next couple of weeks pork prices will start to level out. That being so, margins should catch up and as such the second *half pre-tax shortfall* at Pork Farms is likely to be less than *in the first. Looking* beyond the current year a noticeable pick-up *in the pig herds should* cheer the shares at 122p, where the yield is 9.2 per cent.

Thos. French improvement

Mr. T. Jeremy French, chairman *of Thomas French and Sons,* manufacturers of Rufflette brand *curtain styling products and* K-Flex brand electric surface heating products, told the annual meeting that, in the first four months of the current year, profitability had shown an improvement over the comparable period of last year, but he could not guarantee that this improvement would be maintained over the rest of the year.

Mr. French said the over-riding policy was currently one of containment. While continuing to invest in new equipment and *trying to expand sales volume* this was being carried out within the *constraints of the maintenance of* minimum stock and borrowing levels and ensuring the most efficient usage of labour and machinery.

Equity Income Trust

In view of retentions built up by **Equity Income Trust** over a number of years the directors anticipate at least maintaining the dividend at 11p gross per share in the current year, says the chairman, Mr. J. Roe.

Among the factors currently influencing U.K. equity markets are the uncertain outcome of the Government's policies to control *inflation, the trend of interest* rates and the size of the public *sector borrowing requirement.*

In those conditions further fluctuations in share prices should be expected. The directors have, therefore, continued to favour investments in companies with a high proportion of overseas assets

INSPECTOR FOR LARKFORD

The Secretary of State for Trade, *Mr. Peter Shore, has* appointed Mr. D. J. Nicholls, Q.C. and Mr. E. K. Wright, F.C.A. as inspectors under Section 165(b) of the Companies Act, 1948 to investigate the affairs of Larkford Holdings.

Chubb's first half headway

TAXABLE PROFIT of Chubb and Son for the six months to September 30, 1975 shows a £655,000 advance at £4.38m. from turnover *up from £48.6m. to £59.7m.*

The directors say that despite *the satisfactory* results the uncertain economic outlook must temper their view of the future. Signs are beginning to emerge *that* trading in the final six months will be affected to some extent by the continuing recession in many of the markets in which the company operates.

Nevertheless, prospects for the year as a whole are viewed with "cautious optimism."

	Half Year £000 1975	£000 1974	Year £000 1974-75
Group turnover	59,653	45,649	108,119
U.K. Home sales and exports	30,938	24,085	53,156
Overseas	28,643	21,554	52,063
Profit before tax	4,383	3,728	9,082
U.K.	2,468	1,771	5,256
Overseas	1,915	1,957	3,826
U.K. tax	1,255	960	2,911
Overseas tax	853	822	1,735
Net profit	2,275	1,946	4,416
Minority	288	304	624
Attributable	1,987	1,642	3,792
Pref. divs.	21	21	42
Ord. divs.	320	208	1,040

To reduce disparity with the *final, the interim dividend* is stepped up from 0.56p to 1.12p net per 20p share and the directors confirm their expectations of a maximum permitted total for the year on capital increased by a rights issue. Last year's was 2.8345p from profits of £9.08m.

During the six months apart from Continental Europe where the economic recession produced *a market fall in profitability,* progress continued over the rest of the group with sales and profits "well in advance" of the figure for the equivalent period last year.

● comment

Chubb is 18 per cent. ahead pre-tax. The overseas operations have been held back by Continental Europe, but at home profits are up a full 40 per cent. with margins showing a modest recovery after their setback in the second half of 1974-75. In the U.K. Chubb has experienced small volume gains and these have continued into the current six months. But Europe remains a problem, and elsewhere the group has areas where demand is now looking decidedly patchy. Still, earnings for the past 12-months (on average capital) are 11p a share which would cover the forecast *dividend 3¼ times;* the group balance sheet remains solidly based *and the £6m. rights cash* will be cutting back interest costs in the current half-year. The shares yield a prospective 4.4 per cent. at 109p—down 7p yesterday to end a run of relative strength that has effectively lifted Chubb by over two-fifths since the start of August.

MIDLAND ALUMINIUM

Midland Aluminium proposes to redeem *outstanding £811,396* 7½ per cent. Debenture stock 1985-90, at £82 per cent.

ISSUE NEWS

Ibstock's £1½m. rights

Ibstock Johnsen intends to raise £1.45m. by a rights issue of one 25p share for every three held at 60p. The shares closed 9½p higher at 104½p last night.

Because of the economic situation and recession in the *construction industry* the Board decided in 1974 to shelve the *completion of its investment programme.* However, because of Ibstock's performance in 1975 it has been decided to resume development and capital projects are being considered involving "several million pounds." Most funds needed will be generated from own resources but it is felt prudent to increase financial strength by the issue.

In the interim statement last September the Board indicated *that annual pre-tax profits should* reach £2.3m. (£2m.) and on the *basis of that they are now forecasting* a final dividend of 3p to make 5p (3.899p) per share.

The issue has been underwritten by London and Yorkshire Trust and brokers to the issue are Laing and Cruickshank.

SPILLERS RIGHTS

The formal document from Spillers regarding its rights issue to raise £12.4m. by the issue of Ordinary shares for seven at ... discloses that on October 25, the group had short-term indebtedness of £38.2m. An EGM is convened *for November 28,* to consider the resolution to increase *authorised share* capital of Spillers from £35m. to £50m.

ALBANY LIFE

Albany Life Assurance has applied to the Bank of England for authorisation to increase paid-up capital from £1m. to ... in two equal tranches—the first be made shortly and the second during 1976.

The company, launched in February, and a wholly-owned subsidiary of Houston-based American General Insurance, markets primarily unit-linked life assurance contracts, but has some guaranteed products in its range. It has at present 12 branches in the ...

Mr. Ralph Sepel, chief executive said the additional capital is being provided to meet planned expansion—the move was being made now in the light of the programme. The company has formed the Department of Trade ...

FRIDAY'S COMPANY NEWS—(Cont'd.)

Coats Patons £8.8m. down

PROFITS OF over £32m. are indicated by Coats Patons for 1975, against £47m. achieved last time. First half shows a fall from £24.95m. to £16.17m., and this figure should at least be repeated in the current six months and could show a minor improvement.

The directors say there are a few signs that the recession may be bottoming out. Inflation however, continues, and an increase in demand will not necessarily assist any recovery of margins during 1976.

First half results reflect the world recession. Against falling volume sales and with constantly inflating costs it was impossible to pass on all the inflation and margins fell from 13.1 per cent. to 9.1 per cent. The directors concentrated on liquidity and did not attempt to achieve additional volume on uneconomic terms.

Liquidity has improved considerably and by December it is expected that borrowings will have been reduced by £20-£25m.

The interim dividend is 0.9444p net per 25p share, with Treasury consent. Last year there was an interim of 0.9p, and no final but a 4 per cent. scrip issue.

	First half 1975 £000	1974 £000
Turnover	226.367	213.336
Trading profit	26.027	32.143
Depreciation	5.340	5.134
Interest paid	4.773	4.207
Associates profits	236	615
Investment income	29	333
Pre-tax profit	16.169	24.950
Taxation	7.825	11.730
Investment grants	195	183
Minority	1.163	1.505
Preference div.	22	24
Earned Ordinary	7.354	11.556
Interim dividend	2.613	2.394

See Onlooker Page 2

Cope Sports sees same outcome

TURNOVER OF Cope Sportswear improved from £1.35m. to £1.62m. but profit declined from £150,123 to £91,119 before tax of £47,000, compared with £78,000 during the first half of 1975.

According to Mr. S. Cope, chairman, trading in the third quarter has continued at a good level and subject to unforeseen developments, the directors anticipate that profits for the full year "should be much in line" with 1974's record £180,172.

At the annual meeting in June Mr. Cope said that a major change in trading patterns would now make it possible to have equal profitability in the two halves rather than a majority in the first.

Now, he says that as a result of the change in the pattern the company has been able to substantially reduce its previously high level of stocks and is now in a "relatively healthy" position so far as liquid resources are concerned.

Earnings per 10p share in the first half are shown to be down from 2.4p to 1.43p. The interim dividend is being raised from 0.277p to 0.2934p—last year's total was 0.55p.

The company makes high quality clothing and leisure wear.

MFI sales up–holding margins

THE ANNUAL meeting of MFI Warehouses was told by chairman Mr. A. C. Southon that, subject to the 1976 economic climate, and on the basis of present trends, he saw no reason to suppose that satisfactory profitable results would not be produced in the current year.

Mr. Southon reported that trading figures during the first five months had been running at a higher level at all branches compared with the corresponding months last year.

In general terms, margins had been maintained without detriment to the price competitiveness of merchandise, he said.

Four additional branches were opened during that period, bringing the number to 35 with a total area in excess of 450,000 sq ft. Two original branches, at Balham and Chiswick, had been closed as they were considered insufficient in size. A number of additional units had been negotiated for opening during the second six months of the year, and the directors plan to continue the policy of new openings to extend coverage of the U.K.

To support an enlarged distribution requirement negotiations were at present proceeding with a view to acquiring, on lease, a more centrally situated distribution depot to service branches, with capacity to handle the anticipated increased warehousing demand, Mr. Southon revealed.

Mercantile Investment

Mercantile Investment Trust announces that, under the terms of the loan agreements relating to the maintenance of collateral following currency devaluations, it has recently repaid to the lenders a total of approximately $US3,126,000 in respect of two loans.

QUEEN STREET

Queen Street Warehouse (Holdings) announces that an adjourned separate class meeting of "A" Ordinary shareholders and at an adjourned meeting of loan holders extraordinary resolutions were passed approving the scheme of capital reconstruction.

Application will now be made to the Court for its approval and it is estimated that the scheme should become effective by the end of January.

Boots up 16% so far but growth rate slowing

AFTER PROVIDING £4m. towards the actuarial deficit of £8.83m. in the pension fund, profits of Boots rose by 16.3 per cent. to £30.72m. in the six months ended September 30, 1975—but for the second half growth is expected to be at a lower rate.

Total first half sales advanced by 23.3 per cent. to £290m., with those attributable to the U.K. retail side rising by 22.9 per cent.—the major part of the increase represents price inflation, the directors point out; growth reported at the end of the first quarter has been reduced somewhat as a result of the economic recession.


Freddie Mansfield
Dr. Gordon Hobday, chairman of Boots.

Exports and overseas companies' sales increased by 33.6 per cent. and 19.6 per cent. respectively.

The profit increase, prior to the pensions charge, follows a small reduction (from £27.75m. to £26.42m.) at the 1974-75 half way stage. The directors expect difficult trading conditions to continue and profit growth in the second half will be at a lower rate.

The interim dividend is effectively lifted by the maximum permitted annual amount—from 0.81425p to 0.8850p net—costing £8.15m. For 1974-75 a total equivalent to 2.24135p was paid from profits of £65.6m.

	First half 1975-76 £000	1974-75 £000
Sales	290.008	235.223
Less VAT	15.761	13.367
Leaving	274.249	221.856
Profit before tax	*30,723	26,415
Taxation	15,405	13,883
Net profit	15,318	12,732
Minorities	200	118
Attributable	15.118	12.614

* After providing £4.4m. towards the actuarial deficit of £8.83m. in the pension fund.

See Onlooker Page 2

Small rise at Weston Pharm.

TURNOVER OF Weston Pharmaceuticals increased by almost 15 per cent. to £23.96m. in the half year to August 31, 1975 and pre-tax profit advanced by 1.73 per cent. to £0.82m. after higher interest charges of £0.3m., against £0.25m.

Mr. R. Weston, chairman, says it is not easy to forecast for the full year, particularly in times of ever increasing costs, but he anticipates that profit will be "satisfactory."

The interim dividend is being kept at 0.6p net. Total for 1974-1975 was 2.112949p, paid from profits of £1.87m.

Retail sales, up 18 per cent., continue to reflect benefits from the improvement and strengthening of marketing policies, says Mr. Weston. Increased NHS costs and remuneration should further stimulate the rate of growth in the second half.

In the wholesale division further consolidation has improved the debtor and stock position and sales are in line with budgets. Continued improvement is expected.

Due to a general de-stocking by tobacco retailers and wholesalers in the first half, turnover and profit in tobacco products are slightly down. Sales are returning however and budgets for the year should be met.

In the pharmaceutical manufacturing division, in spite of a near 40 per cent. increase in sales, pressure on margins is still adversely affecting profits. Continued efforts are being made to ensure a higher level of production and sales, which is hoped will reverse the trend.

● comment

Depressed margins in manufacturing along with higher interest charges have left Weston's first-half profits little changed on a 14½ per cent. sales gain. Volume growth in manufacturing remains high although in profits terms it is unlikely to do more than mark time. But both the retail and wholesale operations are poised for a better half. An increase in the NHS remuneration of some 4½p per prescription, as from last April, could boost the sales growth on the retail side to about 25 per cent., given that the winter months are the heaviest for dispensing. Equally, wholesaling stands to benefit from the price increases in ethical drugs; but interest charges will again be a burden, with bank borrowing now up to £4¼m. the 25 per cent. equity stake in the hands of the London and County liquidator may, however, be more of an influence on the share price than the good work on the trading front. At 39p the yield is 8½ per cent.

In July Mr. P. H. Harman Jones, chairman, reported that results were ahead of 1974 and, if maintained, the year's outcome should show an increase, subject to economic conditions and import restrictions in Zambia.

First-half figures confirm this advance which was sustained until the end of September, he says. However, more stringent price control since imposed by the Zambian Government and severe import restrictions will retard this progress in the last quarter of the year and into 1976.

Members are told that the remittance of dividends out of the country has been further limited by new regulations. The 1974 dividend for the Zambian subsidiaries was unaffected, having already been authorised and remitted from Zambia.

Group profit for 1974 was £454,000—no dividend has yet been paid.

Golden Hope sees downturn

THE RECORD £7.54m. profit recorded by Golden Hope Plantations for 1974-75 must be regarded as exceptional, says chairman Mr. F. W. Harper, and will certainly not be repeated in the current year, at present price levels.

However, he confidently expects that the dividend will be at least maintained at 1.968p net.

Stressing that future prosperity requires an extensive development programme, the chairman reveals plans to spend some £2m. on capital items during the current year.

Crops for the first four months of 1975-76 are up to expectation. Selling prices are governed by market considerations, but on the expenditure side the group continues to exercise careful control to minimise the impact of inflation on production costs.

Commenting on the 1974-75 profit (it compared with £5.58m. for the previous year) Mr. Harper explains that due to abnormally high prices in the early months the group was able to report a substantially improved average selling price for palm oil, but the rubber price was down.

The year was an excellent one for fruit crops, which exceeded estimates by a big margin. Reflecting the coming into bearing of young areas and increasing yields from earlier plantings the cocoa crop jumped by over 40 per cent.

The cocoa development is all but completed and with increasing crops in prospect for some years to come a phased factory building programme is in hand.

Meeting of the company—in which Harrisons and Crosfield has an 11.7 per cent. stake—is at 1-4, Great Tower Street, E.C., December 8, at 11 a.m.

Chairman's Statement Page 18

Shellabear first half advance

Reflecting the high level of activity in the early part of the year, pre-tax profit of Shellabear Price (Holdings) advanced from £174,000 to £218,500 in the first half of 1975 but Mr. P. M. C. Price, chairman, warns it must not be assumed that the second half will be proportionately higher, as in recent years.

The effects of the economic recession are now being felt, resulting in a slackening of activity in certain areas, he says. The company operates as builders and civil engineering contractors.

Operations in the United Arab Emirates show "promise" and a return on investments should be forthcoming in 1976.

Stated first half earnings per 25p share are up from 2.77p to 3.5p and the interim dividend is unchanged at 0.875p net—last year's final was 1.4021p. The directors intend to recommend the maximum permitted total for 1975 "provided liquidity remains strong."

	Six months 1975	1974
Turnover	4.162.000	3.847.000
Trading profit	197.000	144.500
Investment income*	21.500	29.500
Profit before tax	218.500	174.000
Taxation	113.500	91.000
Net profit	105.000	83.000

* Less interest payable.

Statement Page 23

Emray ahead but now slowing

In the first half of 1975 profits of Emray, which trades in Zambia as importers and distributors of motor vehicles and office equipment expanded from £250,000 to £345,000.

New Medical Sickness contract

The Medical Sickness Annuity and Life Assurance Society has introduced a new permanent health contract, the Index-Linked Sickness and Accident Insurance Policy.

Under this scheme, the initial benefit level is revalued each year in line with the rise in the Retail Price Index and a revised premium charged to the policyholder. Sickness benefits actually being paid would under this plan be increased each year by a flat 7 per cent.

The advantages are that the insurer has his level of cover maintained automatically, irrespective of his state of health at the time of revision. Income paid during sickness has some protection against inflation with the annual uprating. The premiums under this plan are paid by variable direct debit.

This scheme is also being marketed by Medical Sickness's subsidiary, the Permanent Insurance Company.

Ultramar to top £15.7m.

WITH ALL principal divisions making a positive contribution, the petroleum exploration and development concern, Ultramar, announces taxable profit ahead from £13.72m. to £15.23m. for the first nine months of 1975, after showing £10.32m. against £10.24m. after six months.

The result is only marginally short of the £15.74m. earned during all 1974 and the directors expect to exceed this figure at year-end.

They approach the year 1976 "with confidence." However, trade restrictions and price controls continue in Canada, while in the U.S. there is the uncertainty as to future Government actions on pricing and allocation of crudes.

There is also a world-wide oversupply of petroleum products and under these conditions they find it difficult to forecast results of refining and marketing operations.

Stated earnings per 25p stock unit for the nine-months period are up from 26.8p to 30.9p. Cash flow from operation after nine months is up from £15.61m. to £17.11m.

An increase in working capital from £13.65m. to £43.53m. and loans raised from £51.11m. to £92.98m. is due mainly to the growing extent to which crude purchases are being financed by loan facilities rather than by trade previously available, and substantial crude purchases before the recent OPEC price increase giving a large volume of inventories at September 30, 1975.

● comment

Ultramar's third quarter profits which are marginally up on those for the previous period at the trading level are slightly better than market expectations. With refining interests in Canada still suffering a decline in activity (between the half-time and nine months stages the number of barrels per day decreased by 15 per cent.) a small drop in profits seemed likely, but the group has apparently been able to offset this by pushing up margins on its oil sales. There seems no reason why Ultramar should not continue to do this in the final quarter and maintained earnings growth of around 15 per cent. for the year looks a safe bet. However, with the first benefits from the considerable Indonesian gas interests scheduled to come through in 1977 it is doubtful whether the share price of 212p has very much to do with the immediate growth prospects, though the prospective p/e of 5.2 may partly reflect the fact that with a borrowing ratio of around 126 per cent. the group is one of the most highly geared in the oil sector.

Lower demand hits Porter Chadburn

Taxable profit of Porter Chadburn declined from £297,700 to £227,200 in the 26 weeks ended July 3, 1975. The directors anticipate that results in the second half "should not be less" than the first.

The reduction at half-way reflects the lower demand for brewery equipment as forecast in May, and a similar deterioration in demand for the products of the plastics division.

	26 weeks 1975 £	1974 £	Year 1974-75 £
Turnover	4.190.000	3.337.000	7.227.000
Profit before tax	227,200	297,700	622.500
Tax	118.100	154.800	264.200
Net profit	109.100	142.900	358.300

Considering the state of the engineering industry the performance of other divisions, including A. Robinson (Engineering Services), acquired in January 1975, "has been satisfactory," they add.

The interim dividend is 0.975p net (1.005p) per 20p share, taking £31,535 (£32,505). Dividend total for 1974-75 was 3.93p from profits of £622,500.

Downturn at Futura

Results for the first nine months of 1975 at Futura Holdings, footwear manufacturers, are less than the same period of last year and the directors expect the pre-tax profit for the year will exceed £125,000 but be less than 1974's £189,105.

A same-again first interim dividend of 1.05p net per 25p share is declared. Last year the company also paid a 1.4p second interim in lieu of final.

BULLOUGH DEAL COMPLETED

Bullough announces that completion of the acquisition of Project Office Furniture has been effected. Shareholder approval has been obtained and the other conditions in the agreement satisfied in full.

Motorcycle sales up 126%

A TOTAL of 25,388 mopeds, scooters and motorcycles were registered in October—74 per cent. up on October 1974. Moped registrations rose from 7,047 to 8,683 and scooters from 274 to 332. Motorcycles recorded a 126 per cent. rise from 7,251 to 16,371.

January to October two-wheel registrations rose 44 per cent. to 241,213. This compares with 190,000 for the whole of 1974.

FRIDAY'S COMPANY NEWS—(Cont'd.)

£57.2m. midway drop for Courtaulds

MAINLY REFLECTING operations in the U.K. and France, and the fact that it has been possible to recover only a third of cost increases through higher selling prices, first-half profits of Courtaulds have slumped by £57.2m. to £22.1m.

And, although there are a few slightly encouraging signs, the second half may produce no better figures than those now reported, the directors state. In the year ended March 31, 1975, profit came to £125.7m.

The first half turns out to be in line with the indications last July. Paint and packaging products account for a high proportion of the results; in the fibre and textile areas no general improvement is yet apparent.

	First half 1975-76 £m.	First half 1974-75 £m.	Year 1974-75 £m.
External sales	522.3	576.5	1,133.9
U.K. customers	265.9	276.7	556.5
Exports from U.K.	132.9	146.2	285.4
Trading surplus	48.2	101.7	174.0
Depreciation	26.1	22.4	48.3
Profit before tax	22.1	79.3	125.7
U.K. tax	3.6	5.9	6.1
Overseas tax	2.4	15.7	23.2
Minority	2.4	3.7	7.3
Pref. div.	0.1	0.1	0.2
Ordinary interest	13.6	53.9	88.9
Dividend	5.3	5.0	15.1

The interim dividend is lifted from 1.841p to 1.964p net per 25p share; final for 1974-75 was 3.756p.

Capital expenditures have been maintained at planned levels. Cash balances and facilities "amply provide" for all foreseeable developments.

See Onlooker Page 2

Midway rise for Allnatt Properties

PROFIT, before tax, of Allnatt London Properties improved from £764,600 to £947,300 during the first half to September 30, 1975. In his annual statement in August, the chairman, Mr. R. W. Diggens said that current year profits could exceed £2m.—last year's figure was £1.71m.

The net interim dividend—which takes £123,037 (£125,178)—is being held at 0.8375p per 25p share—last year's total was 3.1775p. Mr. Diggens has waived all dividend rights in the current year in excess of an amount, with tax credit, equal to 1 per cent. per annum on his total holding of Ordinary shares.

G. R. Dawes confident

The Board of G. R. Dawes Holdings is unanimous in the view that there will be an increasing demand for the services of the "private bank," where individual circumstances can be taken fully into account to give the client the maximum advantage and service at the lowest cost in after tax terms.

Chairman Mr. H. A. Dawes says the introduction of Capital Transfer Tax means that individuals must look again at their estate planning and investment policies. He is satisfied that the company is right to expect an increasing demand for this kind of service and is sure "that we are in a strong position to provide it."

As to the current year the chairman repeats the comments made in the October re-listing application, that it is not considered responsible to try at this stage to forecast earnings for 1975-76, but there is confidence that the 8.077p gross dividend would be at least maintained.

Meeting: Birmingham, December 5 at noon.

Halfway slump at Alida

ON TURNOVER down from £3.94m. to £2.25m. pre-tax profit of Alida Packaging Group fell sharply from £323,180 to £20,069 in the six months to September 30, 1975.

Chairman Mr. R. Stone explains that trading levels have been severely depressed due to continued de-stocking by customers and the general state of the economy.

Current indications are that extra business is being achieved due to better sales penetration and the cessation of de-stocking, but the short-term prospects remain "gloomy" and will continue so until the economy pulls out of recession. However, results for the first few weeks of the second half indicate that profitability trends are improving as increasing benefits are derived from operating new machinery, he adds.

Tax for the six months takes £10,500 (£420,700) leaving the net balance down from £393,480 to £9,569.

The interim dividend per 10p share is 1.3053p (1.3454p) net equivalent to 2.008p (same) gross—the net cost is £41,688. Last year's total was 5.1845p from profits of £1.17m.

● comment

Destocking by customers and a general decline in industrial activity took its expected toll of Alida's sales, but halved selling prices and a 45 per cent. drop in volume took profits tumbling down by £0.8m. Since the half-year the picture is looking a bit brighter, and Alida is now working on over 90 per cent. of capacity, with orders sufficient to take it into 1976. From then on the expectation is that the recovery will continue, so a maintenance of the annual dividend looks a strong possibility even if uncovered by profits, for there are ample reserves. The cash position remains strong at £650,000 against £1m. last March; this is after spending £175,000 on new plant, and another £100,000 capital outlay will be incurred before January. At 68p, down 11p yesterday, the yield rises to 12 per cent., and though the upturn appears to have started, it will be quite a while before Alida makes good the missed forecast of £1½m. for 1974-75.

Moss Eng. better than forecast

AGAINST A forecast of results similar to those of last year Moss Engineering Group turns in pre-tax profits of £791,828 for the year to August 31, 1975 compared with £670,679. At halfway the advance was from £254,000 to £272,313.

Stated yearly earnings per 25p share are up from 6.89p to 7.11p and the dividend is lifted from 3.1658p to 3.3775p net with a final payment of 2.54p.

	1974-75 £	1973-74 £
Home trade sales	8,192,335	7,149,742
Direct exports	575,484	478,004
Inter group sales	852,501	663,717
Total sales	9,623,320	8,291,463
Trading profit	1,083,627	966,189
Depreciation	123,811	122,582
Interest	167,888	162,928
Profit before tax	791,828	670,679
Tax	464,055	352,957
Net profit	327,773	317,722
Final dividend	117,084	107,256

R. Green 1.34p held

GROUP TAXABLE profit of R. Green Properties declined from £363,832 to £273,924 in the year ended June 30, 1975. Although not covered the net dividend is held at 1.33636p, with a final of 0.83636p.

The profit is struck after writing £360,000 (£342,266) off the value of development land—this was done in view of the general economic situation and uncertainties created by the Land Bill—and includes a surplus of £115,807 (£108,978) on the sale of investment properties. Earnings per 10p share are stated to be down from 0.79p to 0.49p.

Chairman, Mr. A. H. Bowerman, explains that maintenance of the dividend has been possible because Mr. and Mrs. Elplick have again waived their dividends and also £90,512 has come from reserves. As capital profits earned amounted to £81,065 total reserves are depleted by only £9,447.

The chairman assures holders that the group is under no pressure as regards finance.

On prospects, Mr. Bowerman reports that first quarter 1975-76 trading is satisfactory and it is hoped this trend will continue.

Meeting, Brighton, December 9 at 5.30 p.m.

Trevor Humphries

Mr. John Read, chairman of E.M.I.

Bright prospects for EMI

DESPITE THE onerous trading conditions that still exist across the world, the directors of EMI believe there are bright prospects for the group especially in overseas markets which account for over 60 per cent. of business.

Barring unforeseen circumstances, the current year should be one of advancement and profits should clearly reflect such progress, says the chairman, Mr. John Read.

Largely as a result of dramatic growth in electronics business, a major reorganisation has been undertaken of group business operations in North America, the world's major market for many of EMI's products and activities, says the chairman.

Sales growth of the EMI-Scanner brain examination system continued to dominate the scene, and both U.K. and U.S. facilities continued to handle an increasing volume of orders from hospitals. This system was launched in mid-1972 "and has since become the base of one of our most important businesses."

In the year ended June 30, 1975, group sales expanded from £399.86m. to £503.06m., and profits declined slightly from £35.09m. to £34.97m. The dividend is 6.232p (5.54p), including a final on capital increased by a rights issue, as reported on October 3.

The U.K. music, electronics and leisure businesses overall succeeded in producing higher profit levels.

Leisure operations achieved a substantially higher profit due largely to the success of the international film activities, and the acquisition in March 1975 of over 150 bingo halls.

Music business in the U.K. generally maintained its market leadership with an acceptable level of profitability. Cost pressures and some reduction of consumer demand affected the budget record sector. Thames Television, with virtually static advertising revenue reported lower profits.

On the property side, a number of planned developments in the U.K. involving cinema sites and related properties, have been deferred because of the economic situation.

But Mr. Read stresses that the decision has had no bearing upon the continuing and successful programme to convert the most suitable of the cinemas into multiple auditoria.

The property asset base remains strong with a number of sites retained for development at a more propitious time.

A revised appraisal of the content of the Gort Estate project, in Tottenham Court Road, is being undertaken by staff and advisers in the light of current building costs and rental values. This site was acquired nearly five years ago to build a suitable headquarters.

In a statement of source and application of funds, the more significant items include the £14.57m. inflow of funds from share issues, £20.29m. invested in fixed assets, and the outflow of £11.2m. in funding the losses and terminal costs prior to and on disposal of Voxson SpA. In addition, £5m. was expended in repayment of long-term debt.

In the balance-sheet, a reduction of £14m. in non-monetary net current assets was achieved despite world inflation on an unprecedented scale. While liquid funds have been maintained at the satisfactory 1974 level of about £22m. bank borrowings have reduced by £12m. to £7.4m.

In the directors' opinion the existing use value of land and buildings is, conservatively, of the order of £129m.—some £47m. in excess of net book value.

The directors do not consider it appropriate to publish full CPP accounts for 1974-75. But calculations carried out show that trading profit has been eroded by 39 per cent. as against 19 per cent. in the previous year, reflecting mainly the increased rate of inflation.

Capital commitments not provided for were £11.98m. (£8.72m.), and further authorisations totalled £4.52m. (£5.87m.).

Meeting, New London Theatre, Drury Lane, WC, December 9 at 11.30 a.m.

● comment

EMI's accounts show that its proportion of overseas shareholders was more or less unchanged in the year to last September, so the EMI-Scanner has not yet sparked off much enthusiasm among U.S. investors. The latest review from brokers W. Greenwell argues that an extension of the share price strength may rest on American support, and suggests that in the short term there is plenty of room for all competitors in the Scanner market. A number of new models, including EMI's, will be on view for the first time in Chicago at the end of this month. Meanwhile, the prospective p/e at 216p is about 12½ on the basis of the brokers' projected 24 per cent. rise in profits this year.

Elswick Hopper reduction

A FALL in profits before tax from £193,000 to £173,000 is reported by Elswick-Hopper for the half year to July 31, 1975. However, the Board views the future with confidence and considers the present companies constituting the group form a sound base for future development, says chairman Mr. J. L. Turner.

The interim dividend per 5p share is raised from 0.2925p to 0.3p net. Last year's total was 0.5925p from profits of £380,000.

	Half-year 1975 £000	Half-year 1974 £000	Year 1974-75 £000
Turnover	2,371	1,893	4,150
Profit before tax	173	193	380
Tax	78	78	161
Net profit	95	115	219
Extraord. debit	8	5	*31
Available	87	110	250
Dividend	31	29	61
Retained	56	82	189

* Share of development costs of Farmkey. • Credit.

During the six months the agricultural division increased its profits but Picador Engineering encountered some reduction in demand and has incurred additional moving costs.

Reorganisation of Wearwell Cycle has only recently been able to show satisfactory results and was the main cause of the lower margins shown by the group. Nevertheless, the Board anticipates that in the second six months the cycle division will again make a "substantial" contribution to profits.

LONDON COUNTY & MIDLAND

London County and Midland Trust, a wholly owned subsidiary of Town and City Properties, is proposing to redeem at par the £493,687 outstanding 6 per cent. Mortgage debenture stock 1980-85, subject to stockholders' consent.

Burndene outlook uncertain

IN AN effort to improve the position at Burndene Investments, the directors are endeavouring to promote sales of additional products but prospects for the current year are "uncertain," states Mr. D. T. C. Caldow, chairman, in his annual report.

First quarter sales and profits were lower in the caravan manufacturing and site operating division. Although sales increased in the second quarter, profit margins are under pressure.

The company will require a "significant increase" in sales volume if profits are to recover and in current uncertain economic conditions it is too early to say whether these additional sales will be obtained.

The hosiery and knitwear division is facing the most difficult trading conditions ever experienced. In both manufacturing activities materials, wages and overheads have all risen and further increases are forecast, while the selling price of products is restricted in the current highly competitive conditions.

As reported, the company exceeded its forecast by producing pre-tax profits of £0.59m. for the year to May 31, 1975, compared with £0.74m. Dividends are up from 0.7756p to 0.8277p net.

Meeting, Edinburgh, December 4 at 11 a.m.

INTERNATIONAL COMPANIES

Surprising bounce to Philips figures

BY MICHAEL VAN OS AMSTERDAM, Nov. 13.

PHILIPS, the Dutch-based international electrical group, has reported net profits of Fls.10m. for the third quarter. Profits in the same quarter last year were Fls.96.144m. Third quarter sales rose 14 per cent. to Fls.6.48bn.

At a press briefing here Philips pointed out that the current year's figures included a contribution from the U.S. company Signetics (from July 1, 1975), which made a slight profit, and from Magnavox.

According to the financial statement, net profits in the first three quarter of the year totalled Fls.96m.—down 93 per cent. on the Fls.614m. in the same period last year—while sales had now risen 5 per cent. to Fls.18.51bn. (Fls.17.64bn.) Third quarter trading profits reacted Fls.198m., which was down 53 per cent. on the same period last year, bringing the nine-months figure up to Fls.764m. (down 55 per cent.).

Philips also revealed that after the break-up of the Unidata computer partnerships (which meant it was terminating activities in what it calls its large and medium-sized computers interests) a provision of about Fls.350m. will be made at the end of this year. As reported earlier in the year, Philips can also count on a tax provision accumulated in previous years, totalling over Fls.100m., which will be refunded at the end of this year.

Commenting on developments so far this year at Philips, Dr. J. W. J. Offergelt, a management Board member, noted that last year, sales had been quite high in the first two quarters, while the effects of the recession began to emerge in the third quarter. Excluding the U.S. acquisitions, the value of sales in the first nine months of this year roughly matched the same period last year. The increase in this year's third quarter sales had been slightly below expectation.

Philips would not speculate about the forecast volume sales increase for the year as a whole, other than to say that "a percentage increase was expected." With regard to the final quarter profits, the company said they "would not be below the previous quarter," and that the "rockbottom level" had been passed.

Besides mentioning improved sales in areas like the U.S. France and Australia, there were main setbacks in Argentina and Portugal. In Britain, too, the problems were still considerable.

Philips said that the total West European market was expected to take up to 5 per cent. fewer colour television sets this year compared with 1974. But, ignoring U.K. sales, West European purchases would, in fact, have risen about 5 per cent. British colour TV purchases were about a quarter down on last year, the company added, stressing that this involved not only its own sales. World wide, sales had increased, and Australia alone would be taking 700,000 colour sets this year.

See Onlooker, Page 2

ITT raises dividend

BY CANDACE CUNIBERTI NEW YORK, Nov. 13.

INTERNATIONAL Telephone and Telegraph (ITT), the world's largest conglomerate reported a substantial drop in earnings, for the second quarter in a row. ITT announced a 27 per cent decline in its third quarter net, with earnings falling to $82m. or 66 cents a share against $111.6m. or 90 cents a share in the same period last year. Sales for the third quarter were even at $2.72bn.

In an effort to bolster confidence in the unwieldy giant, ITT at the same time, however, increased its quarterly dividend payable January 1 to shareholders of record November 20, by two cents a share to 40 cents. The company said that the action reflected an improvement in incoming orders, which should lead to stronger fourth quarter earnings. This, the company boasted, is the 12th consecutive year that ITT has raised its dividend.

Few of the company's results have shown improvements of late. Last year, for the first time in 15 years ITT reported a decline in year end earnings—net income fell 13 per cent. So far this year the nine months earning figures are off 20 per cent. to $288.1m. or $2.32 per share on sales of $8.22bn. from $360m. or $2.90 per share with sales of $8.11bn. for the comparable period last year.

This year in particular, ITT is also facing heavy losses in foreign currency translations. ITT reported a charge of about 40 cents a share against nine months' earnings. Last year, for the same period, the charge was only five cents a share.

The company claims that were it not for these losses the third quarter would have shown an improvement. Be that as it may, with 52 per cent. of its operations outside North America, the problem with foreign currency translations, which have plagued many multinationals, will be with ITT for some time to come.

COMPANY NEWS IN BRIEF

ANDERSONS' RUBBER COMPANY—Sales, first-half to July 31, 1975, £1,160,111 (£1,014,949). Pre-tax profit £66,518 (£30,560). Tax £14,590 (£26,500). Interim 0.5p net (same) per 20p share, already announced.

BARAGORA TEA HOLDINGS—Preference dividend six months to December 31, 1975, will not be paid (paid to June 30, 1975).

CONSOLIDATED COMPANY BULTFONTEIN MINE—Dividend for the six months to December 31, 1975, is 5.5 cents, payable on January 30.

EXTERNAL INVESTMENT TRUST—Net asset value per share six months to September 30, 1975, 141.5p (95.2p). Earnings 1.6p (1.5p). Present estimates show there should be a substantial increase in the amount available for distribution for the year to March, 1976.

GRIQUALAND WEST DIAMOND MINING COMPANY—Dividend for six months to December 31, 1975, is 25 cents, payable on January 30.

ALLAN KENNEDY AND CO. (makers of industrial flooring)—Interim dividend 0.9p (0.85p). Sales, half year to September 20, 1975, £658,119 (£575,197). Pre-tax profit £55,616 (£51,254). Tax £29,200 (£26,750), leaving £26,416 (£24,404). Profits for second half year will not be far short of those in last financial year.

LIDSTONE—Dividend 0.35p (total 1.05p) net. Pre-tax loss year to July 19, 1975 £2,716 (profit £15,255 adjusted, after full provision for liability in respect of subs losses. Tax £6,495 (£13,486) making loss £9,291 (profit £1,769).

LOWLAND INVESTMENT COMPANY—Results for year to September 30, 1975, reported October 29. Investments £4.04m. (£2.35m.), net current liabilities £7,676 (assets £361,545.) Meeting, 11, Austin Friars, E.C., December 5 at 2.45 p.m.

MAJEDIE INVESTMENTS—Dividend 0.54904p per 10p share for year ended September 30, 1975. Group profit after tax £139,599 (£138,572). Profit on sales of investments after tax £867,295 (£45,674). Extraordinary credit £16,100 (nil). Profit on sale of Sagga Estate after tax nil (£397,356). Dividend absorbs £78,708 (£71,880). To revenue reserves £946,285 (£709,722). Investments at market value £4,330,038 (£3,905,355). Fixed assets £1,343 (nil). Net current assets £515,490 (£424,947).

MEDMINSTER—Final 0.6125p, making 1.025p (1.075p). Pre-tax profit, year to June 30, 1975, £50,682 (£99,640). Tax £17,576 (£65,478), leaving £33,106 (£45,162). Profit includes profit on sale of freehold property nil (£7,154), hire furniture and equipment £11,421 (£6,776) and aircraft and motor vehicles loss £6,180 (profit £1,278).

MENTEITH INVESTMENT TRUST—Final in respect of year to September 30, 1975, 0.25p (0.35p) net, making 0.45p (same). Income from dividends and interest £432,250 (£519,956). Profits of dealing subsidiaries £1,469 (£18,057). Gross revenue £434,719 (£538,013). Net revenue after all charges including taxation £112,699 (£180,467). U.K. taxation £109,035 (£103,155). Dividends £124,539 (£124,559). Earnings per 25p share 0.52p (0.65p). Net asset value 14.2p (13.3p).

PRIEST MARIANS HOLDINGS (merchants)—Turnover £572,051 for year to April 30, 1975 (£675,236 for 16 months). Profit £7,735 (£28,601), after tax £10,091 (£24,723). Earnings per £1 share 3.0p (12.6p). Dividend 1p net (7.7p).

PROGRESSIVE SECURITIES INVESTMENT TRUST—Interim dividend 0.75p net (equivalent same). Gross revenue half-year ended September 30, 1975, £90,470 (£83,509). Administration expenses £9,130 (£7,041), financial charges £1,750 (£2,028), leaving revenue £69,590 (£74,440), before taxation £32,544 (£37,073). Interim £16,821 (same). Forward £188,882 (£171,232). Market value of investments £1,772,467 (£1,298,608). Net asset value per 50p share 87p (93p).

TONGKAH HARBOUR TIN DREDGING BERHAD—Second interim dividend 15 per cent. (equivalent to 23.0769 per cent. gross) in respect of the year ended June 30, 1975, payable on January 6, 1976. This payment, together with the 8 per cent. (12.3077 per cent. gross) paid in July, makes the equivalent of 35.3846 per cent. gross for the year compared with 44.776 per cent.

WANKIE COLLIERY—Results year to August 31, 1975 already known. Group fixed assets $54.69m. ($52.98m.). Net current assets $1.88m. (liabilities $1.08m.). Meeting Salisbury, December 5.

WILLOWS FRANCIS (pharmaceutical manufacturers)—Results year to June 30, 1975, already known. Group fixed assets £724,492 (£508,986). Net current assets £499,216 (£447,795). Revaluation of properties disclosed surplus of £263,453 which was placed to reserves. Chairman looks to future with confidence, assuming no further deterioration in U.K. economic situation. Meeting, Great Eastern Hotel, E.C., Dec. 5, noon.

WILSHAW SECURITIES—Turnover as adjusted for work in progress, year to July 31, 1975, £873,683 (£647,201). Pre-tax profit £12,992 (loss £6,517). Tax £709 (£1,468). No dividend (same).

MINING NEWS

Northgate earns less but seeks more

BY LESLIE PARKER, MINING EDITOR

ENCOURAGING results were still being obtained last quarter from Northgate Exploration's probing of the ground 1½ miles north west of Tara's Navan zinc deposit in Ireland. Sufficient drilling has now been done to indicate a possible pay tonnage which is presently estimated at 1.6m. tons averaging 6.72 per cent. combined lead and zinc including a higher grade zone of approximately 0.33m. tons of 13.36 per cent. combined.

Scout drilling is in progress to the north of this zone with holes spaced at 500 to 1,500 foot intervals to test the favourable horizon at depth. Minor mineralisation, it is stated, has been encountered in all holes while two have located mineralisation considered to be "economically significant." Two drill rigs are being used. The latest news will be of interest to the Messina-Sabina partnership which is probing adjacent ground.

Northgate is also seeking an extension of its established Tynagh base-metal operation in Galway about 4,000 feet east of the mine's most easterly area to test the ore potential of a part of the Tynagh fault not previously drilled. In the September quarter three completed holes provided encouragement by proving the presence of mineralised micrite (limestone) close to the fault.

Best results were 8.09 per cent. combined zinc-lead over a core length of 12 feet and 6.3 per cent. over 40 feet including a 20 foot section of 8.52 per cent. In Canada, in conjunction with Westfield Minerals, a winter drilling programme is planned on the offshore gold placer concessions near Nome in Alaska. The companies each have a one-third stake in this prospect.

The resultantly higher exploration expenditures have contributed towards Northgate's reduced 9-month earnings of $0.8m., or 12 cents a share, compared with 67 cents for the same period of 1974. More importantly, the need to conserve funds means that no additional dividend will be declared for 1975. Yesterday Northgate were unchanged at 240p.

SWACO HOPES TO HOLD DIVIDEND

A maintained dividend from lower net earnings for the year to next June was the forecast given to shareholders of the base metal-producing South West Africa Company at yesterday's London meeting by chairman Mr. B. C. Ryan. For 1974-75 increased dividends totalling 17.875p per share (16.75p in 1973-74) were paid from net earnings of £0.76m.

Capital expenditure in the current year is expected to fall to £470,000 from the previous year's inflated level of £1.27m., most of which will be spent on completion of the No. 2 shaft at the Berg Aukas mine and on further improvement in black employees' living quarters.

Trial milling started in September at the reopened Brandberg West open pit property which is estimated to contain 6.6m. tonnes of ore grading 0.24 per cent. combined tin and wolfram. Satisfactory supply contracts for sodium carbonate and sodium sulphate from the Otjivalunda soda pans have been negotiated and a decision as to the viability of establishing a more permanent operation will be taken after a 10,000-ton trial period.

The chairman said that it was not the present intention of the Board to change the domicile of the company in which Anglo American has a 47 per cent. stake and the Consolidated Gold Fields group holds 42 per cent. SWACO shares were 135p in London yesterday.

Messina's turn for the worse

IN LINE with its recent forecast, South Africa's Messina (Transvaal) copper mining group is cutting its final dividend to 20 cents (11.15p), making a total of 35 cents (19.5p) for the year to September 30 compared with 60 cents for the buoyant 1973-74 year. The latest earnings equal 66 cents per share compared with 175 cents.

Group net profits for the past year come out at R7.73m. against R19.86m. The fall reflects an average copper price of only R852 per tonne, compared with R1,478 in the previous year, and reduced sales of 43,409 tonnes against 47,534 tonnes.

Fortunately, there has been an increase in profits from the industrial interests which are notable for a 72.53 per cent. holding in the South African Datsun motor concern; Messina is in process of making an offer for the minority interest.

Meanwhile, the mining side continues to suffer rising costs, lower production and uninspiring copper prices. The annual report is to be sent out on about December 12. The shares were 305p yesterday.

ANOTHER $1M. FOR DETOUR

In order to gather more information on the three ore zones (A1, A2 and B) delineated to date at the Selection Trust group's Detour (formerly Brouillan) copper-zinc-silver prospect in north-western Quebec, an additional $C1.1m. (£0.53m.) is to be spent by the end of this year.

Most of the money will be used on further drilling and metallurgical testwork on the B and A1 zones. Depending on the results therefrom, underground examination and testing may be necessary to determine the feasibility of a commercial operation.

Canada's Selco Mining operates the venture in equal partnership with Pickands Mather, the wholly owned subsidiary of America's Moore McCormack Resources. Shares of London's Selection Trust, which holds 94 per cent. of Selco, were 505p yesterday.

BOUGAINVILLE'S WAGE INCREASE

IT IS reported from Port Moresby that workers at Rio Tinto-Zinc group's big Bougainville copper-gold mine in Papua New Guinea have been awarded a substantial pay increase following an arbitration hearing.

The chairman of the hearing, Mr. Phillip Dandi, has [illegible] the 2,500 members of the Bougainville Mining Workers Union a rise of 14.8 kina [illegible] a week, bringing weekly wages between 34.80 kina (£21.40) and 64.40 kina (£39.58).

Furthermore, the increase is back-dated to October of last year and the workers have been granted six-monthly cost of living adjustments from January. The union president, Mr. Henry [illegible] is quoted as saying that his members were "very happy" with the decision.

Mr. Dandi said he hoped that the company would not seek to recover the increased costs arising from the award. Hit by lower copper prices, a fall in production and higher costs Bougainville's half year profits dropped to 19.9m. kina (£12.2m.) compared with 76.1m. kina (£46.8m.) in the same period of 1974. The shares were 84p yesterday.

DECISION NEAR FOR OK TEDI?

According to a Papua New Guinea Government document [illegible] $386m. (£237m.) copper-mining operation at the Ok Tedi deposit in the Star Mountains could be in production by 1983. Its annual copper output would be about 100,000 tonnes compared with about 180,000 tonnes at the existing Bougainville mine.

At the moment, however, the viability of the venture has yet to be established. The necessary agreement between Australia's Broken Hill Proprietary and the PNG Government has still not been finally approved although most negotiating points are thought to have been settled. A decision is expected shortly.

If BHP goes ahead with the project the company's [illegible] partners are reckoned to be Australia's MIM Holdings, [illegible] Canada's Placer Development while Japan's Sumitomo [illegible] also come in. The deposit was originally explored by America's Kennecott but the latter could not come to terms with the [illegible] Government. Ore reserves were last estimated at 150m. tonnes grading 0.9 per cent. porphyry copper.

GEOMETALS IN FORRESTANIA

A further development in the potentially exciting Forrestania nickel area of Western Australia comes from Geometals which has taken an interest in the ground immediately to the north of that being probed with a good deal of success by America's Amax in conjunction with Endeavour Oil.

Geometals has taken over a private exploration company with a one-quarter share in [illegible] mineral claims. Here again Amax is in the picture with the other three-quarter interest. One hole is reported to have gone down on the northern ground showing just on 1 per cent. nickel. A second is under way.

As indicated in Mining Notebook on November 3, the Forrestania area could well become Western Australia's next nickel-productive operation with a possible 1977 start-up date. Yesterday Endeavour were 15½p.

BIDS AND DEALS

Central & Sheerwood bids for Trianco

SHAREHOLDERS in Trianco, the engineering concern which last month suffered a bitter Boardroom dispute, are to receive a cash offer of 7.02p per share from Central and Sheerwood, a holding company with interests in financial services, engineering and printing and publishing. The bid puts a total value on Trianco of £702,000.

The move follows the purchase by C and S of 2.65m. shares, which lifts its total stake to 37.3 per cent. It held 11 per cent. prior to the latest purchase, a holding that dates back to November, 1973, when the two groups had to abort proposals to merge one of C and S's subsidiaries, Redfyre, into Trianco, because of the oil crisis; both companies were heavily involved in the manufacture of oil-fired central heating boilers.

Since then, the groups have maintained commercial contacts and Trianco has sub-contracted some manufacturing work to Redfyre. The bid, because of these links, is expected to meet with the Trianco Board's approval. Officially, shareholders are being advised to sit tight while financial advice is sought.

C and S bought the latest block of shares through the market, though the holding is almost certainly that of Mr. Lawrence Webb, ousted from the Board at an extraordinary meeting on October 3.

After losses in 1973 and 1974, of £72,000 and £146,000 respectively, Trianco returned to profits in the first half of 1975 following an upturn in the oil-fired boiler market. The group has substantially reduced its borrowings; its products have been rationalised; and it is continuing to trade profitably. It was emphasised yesterday that in the event of the bid being successful there would be no reducion of the workforce.

WESTFORTH

Westforth, 75 per cent. owned by Hocroft (itself wholly controlled by Keyser Ullmann), may sell its 50 per cent. interest in Westool, manufacturer of automation control equipment, to its joint American partner, Warner Electric Brake and Clutch. Westforth has asked the Stock Exchange to suspend dealings in its Ordinary shares and in the 7½ per cent. Convertible Unsecured Loan stock, 1988-93.

Negotiations are continuing between the two companies to decide upon a price. In the last accounts Westool was Westforth's major earner, reporting pre-tax profits of £321,000 out of a group figure of £96,571—Westforth had two lossmaking divisions. Endura, the major lossmaking subsidiary, remains a "problem child," though Westforth stressed yesterday that the possible sale of Westool was in no way a forced situation. A further statement is expected before the end of this month.

Electrocomponents placing

Electrocomponents announces that family trusts of Mr. J. H. Waring, former chairman has sold 1.5m. Ordinary shares.

The shares have been placed with some 20 institutional investors and the sale leaves family trusts of Mr. Waring with 1.25m. shares, representing 12½ per cent. of the issued share capital.

Eternit has 53.1% of Atlas Stone

The recommended cash offer made on behalf of Eternit for the Ordinary capital of Atlas Stone has been declared fully unconditional and remains open until further notice.

Eternit held 389,000 Ordinary shares prior to the offer period and has since acquired 417,500 shares. Acceptances have been received in respect of 1,279,206 shares.

Eternit now holds, or has acceptances for, 2,085,706 Ordinary shares, representing 53.1 per cent. of the Ordinary capital of Atlas.

Cavenham U.S. expansion

Cavenham, the food group headed by Mr. Jimmy Goldsmith, is bidding for the 49 per cent. of Grand Union, the U.S. supermarket chain, which it does not already own.

Through its U.S. subsidiary Cavenham (USA), it is offering $[illegible] of 11¼ per cent. sinking fund debentures for each share. This places a par value of $111.6m. on Grand Union.

On Wall Street Grand Union shares closed the day $1 down at $14⅜. On this basis the bid values the company at $91.45m. Cavenham successfully bid $63m. for just over 50 per cent. of Grand Union in December 1973.

If 1.9m. shares are tendered prior to expiration of the offer Cavenham will accept them. It may accept all, but not less than [illegible] of any excess.

The offer expires on December 12 unless extended. Cavenham's shares closed at 136p, [illegible] 4p.

SHARE STAKES

Ciro Holdings—Howard Wyndham's interest has been increased to 2,250,800 shares representing 33.66 per cent. of equity.

Suregain Securities on Oct. [illegible] disposed of 235,677 Gloucester [illegible] Cheltenham Greyhounds Ordinary shares (23.5 per cent.). These shares were privately placed in accordance with arrangements for the maintenance of the [illegible] referred to in the offer document. Suregain now own [illegible] Ordinary shares (59.6 per cent.).

Updown Investment announces that the Debenture Corporation has purchased a further [illegible] Ordinary shares in the company. Total holding is now [illegible] shares (18.23 per cent.).

ASSOCIATES DEALS

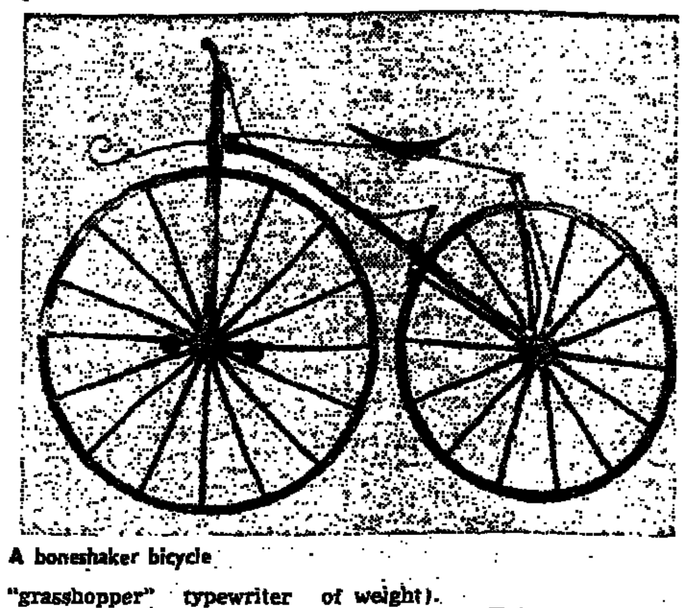
Hill Samuel on November [illegible] sold on behalf of a discretionary investment client 6,000 [illegible] 152p.

S. G. Warburg sold on behalf of an associate 10,000 Grand [illegible] "A" Ordinary at 72p.

Collecting wisely

Collectors' items

BY JANET MARSH



A boneshaker bicycle

A BONE-SHAKER, car mascots, a Victorian printing press, automata, model trains, ships and soldiers, Stevegraphs, a book-binder's brass todling alphabet lacking the "U"—it's rather hard to identify the common denominator in the miscellaneous bits and pieces that go to make up the "Collectors' Items" which provide some of Sotheby's most popular Belgravia sales.

The rubric is in itself a bit puzzling: you might reasonably suppose that most of the goods that pass through the salerooms, from bureaux to Braques, were collectors' items.

In this context, however, the strict meaning of the word might be that you can't do very much with the things *except* collect them: the sales certainly contain a lot of items whose appeal is neither aesthetic nor utilitarian—the sort of things that once were dignified with the name "curios." Another clear distinction is that they are goods which only five or ten years ago *would* never have entered the doors of the smart salerooms, but would have found their market at the bottom end, in "general" auction rooms or junk shops.

Sotheby's Belgravia "Collectors' Items" sale of December 2 (with 3½ weeks to go to Christmas presents) shows how certain goods are drifting to these sales from other categories. Magic lanterns and other items loosely styled "Pre-cinema" have gravitated from the photographic sales; while picture postcards have sometimes previously tried to find a home in book sales. There is a collection of '40s film posters which obviously won't quite fit with more stylish posters in decorative art sales; and a largish group of scientific instruments which are respectable, but perhaps just too modern for a fully-fledged instruments sale.

Out of the varied relics of Victorian domestic machinery and home entertainment, it is fascinating to note which categories have really caught on in the collector market. Clearly entertainment has more appeal than utility. Sewing machines, typewriters and prehistoric vacuum cleaners, despite their rarity and technical fascination, have still not caught on in any big way. The highest estimate Sotheby's put on a sewing machine (an unusual 1877 model) is £50-£70; and on a Yost "grasshopper" typewriter of c. 1900, a modest £25-£45. (It is not, admittedly a startling group of typewriters; it even includes an Underwood Standard of c.1950).

Estimates for musical boxes, which look as well as sound pretty, on the other hand, range from £100 to what may well prove a conservative guess of £2,000 for a truly spectacular late 19th century Nicole Frères cylinder musical box complete with drum, castanets, and bells struck by nodding mandarins. A cabinet of 23 spare interchangeable cylinders provides a total selection of 192 airs.

Phonographs and early gramophones are still common enough to stay reasonably cheap. You can find a good pre-1914 horn gramophone or cylinder machine for between £50 and £100, or even less if you shop around. A later (c. 1930) Gatsby-style gramophone in the shape of a miniature grand piano is estimated by Sothebys between £80 and £150.

The star item of this section of the sale is a rare tin-foil phonograph, built closely to the specifications of Edison's first patent of 1878. Phonographs of this period are excessively rare, because after the first furore Edison neglected the commercial possibilities of his invention and put it aside for some ten years.

This was all the odder because of the excitement the phonograph caused at the time—excitement which now seems quite out of proportion to the miraculous, skeletal simplicity of the device (the model on sale is simply driven by a falling weight).

When an Edison representative demonstrated the machine to the French Académie des Sciences in March, 1878, and the phonograph croaked back his words: "Le phonographe présente ses compliments à l'Académie des Sciences," it took the President some minutes to restore order. What really got them, according to the report in *La Nature*, was that the machine *had an American accent*, just like the man who spoke into it.

As well as the boneshaker of 1860, there are three good examples or what we laymen call "penny-farthings," but which Sotheby's correctly style "ordinary" bicycles. The lightweight "ordinary" with its wire spokes and huge driving wheel was introduced in 1870 by James Starley, and held its own till it was superseded in the mid-1880s by the twin-wheeled "safety" model. Its popular success dated from the publicised marathon ride from London to John o'Groats in a mere 15 days by a four-man team in 1873.

Its very dangers and disadvantages seem to have endeared it to the adventurous Victorian British. It was notably unstable, and people were always falling off. Moreover, it had to be fitted to suit your leg length—with the result that only men with long legs and consequently big bicycle wheels had any chance of achieving any considerable speed. Prospective buyers should, therefore, check their inside leg measurements on December 2 before attempting to pedal away down Motcomb Street with their new Collectors' Item.

The Arts

Cinema BY RICHARD COMBS

Smile (A) Odeon Kensington
Lisztomania (X) Warner West End 2, Scene 1
The Loves of Liszt (U) Berkeley 2

The contrast between *Lisztomania* and *Smile* is very much like looking alternately through the two ends of a telescope. As in all Ken Russell's movies, *Lisztomania* is a kind of pantechnicon of advertising techniques, forever announcing its own stupendous attractions — the themes of Life, Art and Sex, which never actually materialise in any kind of discourse—and winding up, in its desperate pop paroxysm, as no more than an epic footnote to *Tommy*. In *Smile*, detail is all, and Michael Ritchie consistently shies away from the overall statement, the grand theme, in a way that keeps his movie anchored in a lively flux of character and incident, but rather forces the inherent drama of his tale to go corkscrewing off in awkward directions.

The subject matter of *Smile* is *so much* the stuff that easy, sneering comedies are made of that Ritchie does well to keep his film *from* being completely identified with the things it feeds on—from becoming, in other words, as glib and contemptible as the activities it satirises. The principal event is a junior Miss America contest—a beauty pageant in Santa Rosa, California, in which a gaggle of aspirant Young American Misses compete for the privilege of going on to other events of a like kind and of giving smiling endorsements in TV commercials. The silliness of proceedings, of all the shoe-string show-bis razzmatazz, of the hysteria of competition and the pint-sized prima donna rivalries are smoothly picked apart by the film.

But Ritchie avoids turning them into targets by insisting equally on the personableness of the participants, on all the authentic hopes and skills that go into putting on a show as bad as this. His intention is clearly that the characters should linger in the mind long after the foolishness of the event is forgotten: the contestant, for example, whose speciality act is demonstrating how to pack a suitcase because, as one of the judges remarks, it's the only thing she can do without falling off the stage; or the girl who performs "Ebb Tide" on the piano while simultaneously an uncertain spotlight wanders over a display of her work in oils.

The problems with the film begin when it attempts to extend its talent for quirky observation into a meditation on wasted dreams and frustrated ambitions in society at large, mainly by constructing awkward parallels in the grown-up world to what is happening in the adolescent pageant. To the assorted adults who also invest their energies in the competition, it represents a variety of things: a chance to perform themselves as organisers and judges; just another professional engagement to the veteran choreographer who is imported from Hollywood to lead the girls through their stage routines; another civic feather in the cap to local businessman and wheeler-deeler "Big Bob" Freelander, neatly played by Bruce Dern as a figure of carefully worked-over charm and slowly dawning anxieties.

But Ritchie's jig-saw technique, a casual scatter of scenes, vignettes, and thumb-nail sketches, scarcely allows him to incorporate the darker perceptions attached to these characters. And particularly with the sub-plot concerning the town's resident cynic and drunk—who views both the pageant and his own unhappy situation as an absurd joke — they are hiccoughed rather gracelessly into the narrative, disrupting what is otherwise a diverse and appealing palette of local colours and impressions.

On the face of it, diversity has always been the hallmark of the Russell *oeuvre* and his unique achievement in the context of so much monotonous British cinema. Yet one of the most depressing features of his prodigious output — apart from the stylistic elephantiasis, whose symptoms proliferate feverishly through every film — is that beneath all the outward variety of topic and character, and in particular the rich mixture of composers who have fallen beneath the Russell hammer, his subject has remained the same. His own processes of creation, not so much writ large as blazoned in a kind of celluloid sky-writing, always occupy centre-stage. The artist-puppets who populate his films are both caricatures of the director himself and an interchangeable platoon of circus barkers, forever announcing, in the loudest possible terms, the three-ring circus of lurid delights that is a Russell movie.

Of recent years, only *Tommy* has in any way broken out of this vast, aridly self-referential enterprise, and largely because the original material evolved from a mind other than the director's. And there again the pleasures were more in the anticipation than the realisation: the hellzapoppin advertisement for itself that occupied the first 20 minutes or so of *Tommy* being infinitely preferable to everything that followed the appearance of Roger Daltrey.

The presence of Daltrey in practically every scene of *Lisztomania* is perhaps the least of its crippling liabilities. Skipping broadly through the composer's biography in a series of unrelated movie parodies — as swashbuckling hero, as Chaplinesque clown, as horror-film avenger—Daltrey (and *Tommy*) is clearly the star to which Russell hopes to hitch this latest bio-pic. Aiming to net the same market that flocked in for The Who, he has envisaged the 19th-century music scene as a weeny-bopper's acid dream.

The tawdriness of the result is painfully evident, despite the characteristic sound and fury with which Russell makes his usual equations of art with sex and the music of Richard Wagner with the philosophy of the Third Reich. Not only is *Lisztomania* dragging shamelessly on the coat-tails of *Tommy*, in fact, but trading wholesale on just about every icon and shibboleth in the Russell filmography, and devaluing them still further in its frenzied attempts to "go pop." With wit and invention evidently in inverse proportion to visual pomposity, the only progression in *Lisztomania* is a steady inflation of its mindless doodles to the point where, in its final scenes of "heavenly" serenity, it embraces the star-gazing finale of *2001* and passes mercifully out of sight.

The one significant singularity about *Lisztomania* is how little of Liszt's music, in whatever traduced form, it manages to include. The omission is rectified by *The Loves of Liszt*, a Russian-Hungarian co-production which unfortunately goes too far the other way in providing an antidote to the Russell confection. Enacting the composer's love affairs in the most tritely romantic fashion, interspersed with energetic concert performances and some painful moments with Liszt contemplating the fate of his native Hungary, the film manages to reduce him to an excruciatingly dull wax-works figure where Russell succeeds in dissolving him altogether in a psychedelic light and colour show.

Raven BY B. A. YOUNG

Sam Dastor

Rosemary Davies's plot is a modern variation of *The Passing of the Third Floor Back*, but this need not worry her, for the treatment is original and she has something of her own to say.

Every year, Walter and Mabel Parrow assemble the family in their house in S.W.18 (almost every room of which is visible in Kit Surrey's multiple set). They come to keep the anniversary of the eldest son's, Arthur, hanging.

He was innocent of course—didn't tens of thousands sign the petition for his reprieve?—but he was topped at Wandsworth one morning in 1968 just the same, convicted of murdering an old woman. So the Parrows collect their daughter, Maureen, from her mental hospital, and their other son, golden-haired Barry, from his work with a rich journalist, and they all eat the same tea that they ate on the day when the law came and took their Arthur away.

But this time it's different. Instead of Barry, there comes the dark, mysterious stranger Raven, who knows all about the family and can match psalm-quotations with Walter and is persuaded to stay on in the house. Here he wrings sundry changes on his hosts.

The elder Parrows are convinced that the Messiah is about to appear in the person of Arthur, and poor dotty little Maureen, whose longing for a baby, even greater than her longing for cigarettes, prompts her constantly to accost strange old men, finds herself pregnant. Radiance floods the household.

The black-clad Raven, however, to whom Sam Dastor gives a smooth diabolism suggesting Marlowe's Mephostophilis, is clearly not the angel of light the Parrows take him for; indeed his mission is to wean them from their faith in optimistic illusions. By the play's end the situation has changed a lot. There will be no Messiah. There will only be a forlorn old couple with a pregnant halfwit daughter and two sons, one of whom is a murderer and the other the boyfriend of a rich homosexual. That is where Raven leaves, no doubt to pursue his mandate elsewhere.

Miss Davies has an original style. As the Parrows think in clichés, they talk in clichés, in bad newspaper language and commonplace bromides. Sometimes this so engulfs them that John Fernald, the director, has them go into a kind of trance as they speak, detached from reality altogether. What emerges is a kind of post-Orton formality that would be very effective if only the writing were not so densely clotted with unnecessary words. Having made a point, Miss Davies will go on kneading it until we begin to push ahead of her thoughts and advance our own ideas of what will happen next, which are too often right. All the same, the chill atmosphere is expertly imposed and mostly well maintained.

Ewan Roberts and Miriam Karlin have got the demotic characters of the Parrows dead right, though Mr. Roberts seemed to me unsure of his lines. Maureen is most movingly played by Christine Lohr, expertly poised between sanity and vacuity. We see little of golden-haired Barry; all William Humbert need provide is youthful good looks and these he has in plenty. As his oily protector, Geoffrey Edwards brings back a nostalgic whiff of the days when journalists could have big country houses with lakes in the back garden.

The production at the Gardner Centre, Brighton sprawls rather. It might, with only moderate attention to the script, have been confined to the one room and not spread over five, so saving those awkward moments of darkness with the stagehands' boots punctuating the scene-changing pauses.

Le Pavillon au bord de la rivière BY GARRY O'CONNOR

Traditional Chinese legend has a delicacy and purity which needs a great deal of stillness and concentration on the part of both performer and spectator. In bringing this production straight from its success at the recent Avignon Festival, the Théâtre de Gennevilliers are bravely exchanging the refining quality of the Vauclusian open-air, for the cavernous demands of the Round House. The attempt at perfectionism, and the subtle, if highly unfamiliar blend of styles must be applauded.

The story is very straightforward, and is half sung, half spoken. A beautiful widow and a widower plan to marry, but an evil local Lord (Yang) wants to frustrate the marriage and have the widower put to death because he wants the widow himself. To thwart this plan the widow disguises herself as a fisherwoman and sells Yang a golden carp, encouraging him into drunkenness and an exchange of love lyrics, during which she steals his edict condemning the widower to death. Virtue triumphs in the end, with Yang humiliated, and, as usual in Chinese legendary tale, the arrival of the Emperor's envoy.

The style will, I believe, prove difficult for an English audience to follow, because expectations are so different. The Yang scenes are vigorous and full of gesture, punctuated by compelling sounds, and Yang himself, played by Igor Tyczka, is excellent. The scenes with the young widow, played with classic simplicity by Elise Ross, are more difficult, because the level of concentration keeps changing, by virtue of the dominating entry of Betsy Jolas's music into the proceedings.

While I do not feel qualified to comment on this musically (Miss Jolas is an eminent musician, who has studied with both Milhaud and Messiaen), dramatically it is unappealing, and being somewhat heavy and European in mood, actually works against the mood of the story. Still, one has to admit that the gentle exoticism, the devoted attention to gesture, and the simplicity of style are different and unusual, even if sometimes I should have liked to have seen the exoticism more strikingly developed in Bernard Sobel's production. When one has seen, for instance, similar plays from the 13th-century, the golden century of Chinese drama, directed by Patrice Chereau, one cannot but compare this production unfavourably.

Theatres this week

THEATRE ROYAL, Stratford, E.15. — *Cranford.* Splendidly stylish musical adaptation of Mrs. Gaskell's book by Joan Littlewood and John Wells, with music by Carl Davis. Opened Tuesday.

GREENWOOD—*A Man for All Seasons.* Robert Bolt's old favourite about St. Thomas More, not very well done. Opened Wednesday.

WALL STREET + OVERSEAS MARKETS + CLOSING PRICES

Awaiting New York City plan

BY OUR WALL STREET CORRESPONDENT

NEW YORK, Nov. 14.

AN UNDECIDED tendency prevailed on Wall Street to-day, when many investors held off pending a clear cut answer from the Ford Administration on New York City's latest request for Government assistance to avoid default on its debts.

The Dow Jones Industrial Average was up 2.44 to 853.67, making a rise of 17.87 on the week, while the NYSE All Common Index, at $48.16, shed 4 cents on the day but was still up 92 cents on the week. Rises and falls were virtually balanced at 656-to-692, while the trading volume dropped 8.61m. shares to 16.46m.

Motors eased, despite a sharp increase in mid-November sales of new model cars.

J. C. Penny dipped $¾ to $53¼ on a proposed public offering of 3m. Common shares.

Xerox fell $2¼ to $54¼ on price reductions on some copiers.

Best Products rose $1⅛ to $16⅝, following increased revenues.

Hilton Hotels gained $¾ to $33⅜ on higher earnings and a raised quarterlyl dividend.

The American SE Market Value Index rose 0.02 to 85.68, making a gain of 2.34 on the week.

Frigitemp fell $1 to $8⅝ on lower third quarter profits. Carnation lost $2½ to $76 on relatively "flat" earnings.

OTHER MARKETS

Canada mixed

Canadian Stock Markets were narrowly mixed in light trading yesterday.

The Industrial Share Index put on 0.13 to 176.90. Golds firmed 0.07 to 257.33 and Papers gained 0.80 to 95.63. But Western Oils dipped 1.74 to 200.95. Base Metals shed 0.65 to 73.79, Utilities lost 0.29 to 126.01 and Banks eased 0.33 to 263.86.

PARIS—Lower in calm trading, ahead of the Extra-ordinary Council of Ministers' meeting about the economic upturn.

Financials and Stores were steady, but Engineerings and Chemicals mixed.

Poclain fell but Ferodo rose on the forming of a joint company at start-1976.

BRUSSELS—Mixed in moderately active trading.

Steels improved. Metals and Holdings narrowly mixed, Chemicals lower, Oils easier.

U.S. shares weakened slightly, South African Gold Mines lost ground, as did Zaireans. German and Dutch issues improved. French shares weakened.

AMSTERDAM — Predominantly higher.

Hoogovens hardened Fls.0.2—its third quarter loss was largely expected.

Banks and Insurances mostly up, but Transportations declined. Dutch Industrials rose slightly.

Bonds steady to firm.

GERMANY—Mixed in quiet trading, with professional buying turning some prices firmer after a weak opening.

Chemicals firmed, leading Banks and Steels were little changed, while Motors and Electricals were mixed.

SWITZERLAND — Easier on week-end profit-taking.

Leading Banks and Financials eased, while Industrials were narrowly mixed.

State Bonds little changed.

MILAN—Most prices weak in extremely slow trading.

Pirelli SPA fell L26 to 785 on the dismissal of 1,450 workers in a reorganisation plan.

STOCKHOLM—Generally easy.

COPENHAGEN—Higher in moderate dealings.

VIENNA—Steady.

OSLO—Slightly firmer.

HONG KONG—Mixed in light trading.

Hong Kong Bank were down 10 cents to $H16.20, Jardine 20 cents to $HK21.70, Wheelock "A" 5 cents to $HK3.325 and Hong Kong Telephone 10 cents to $HK16.00.

China Light were up 20 cents to $HK15.80 and Hong Kong and Kowloon Wharf 10 cents to $HK11.20.

TOKYO—Slightly higher. Volume 180m. (200m.) shares.

Plant and Automation Equipment shares led the rises.

Kirin Brewery were up Y8 to 423 on expectation of better second half results.

Constructions, Shippings and Electric Powers rose slightly.

Blue Chips were easy on lack of buying.

Motors, Electricals, Non-Ferrous Metals and Pharmaceuticals were lower.

AUSTRALIA—Irregular in subdued trading.

JOHANNESBURG—Gold shares easier. Financial Minings little traded, while Coppers were mixed. Palamin shed 15 cents to R10.60.

Platinums firmed: other Metals and Minerals mixed.

Indices

NEW YORK

DOW JONES AVERAGES

Close	Home Bonds	Transport	Industrials	Utilities	Trading volume 000's
Nov. 14	68.75	173.45	853.67	[illegible]	16,460
13	68.75	173.82	851.23	83.40	25,070
12	68.68	175.22	852.25	83.07	25,350
11	67.51	170.03	837.60	82.57	14,640
10	66.60	169.62	[illegible]	[illegible]	14,810
7	68.65	169.00	837.80	82.73	15,360
6	68.57	169.56	840.92	[illegible]	19,820
5	68.60	168.18	836.27	82.86	17,590
4	68.65	167.01	830.17	82.44	11,570
3	66.67	166.26	825.72	82.51	11,400
Oct. 31	68.66	166.38	836.04	82.65	12,910
30	68.53	166.67	839.42	81.96	15,040
29	68.48	165.25	838.65	82.02	16,110
28	68.51	166.34	841.46	82.64	17,030
27	68.35	164.75	836.46	82.44	13,100
24	68.34	165.55	840.52	82.47	15,120
23	68.37	166.16	850.16	82.29	17,990
1975 High	69.92	174.12	881.81	87.07	—
	(3.4)	(5/5)	(15/7)	(23/6)	
Low	66.76	146.47	632.04	72.02	—
	(3/7)	(2/1)	(2/1)	(2/1)	
All-time High	—	279.88	1051.70	163.32	—
		(7/2/69)	(11/1/73)	(20/4/69)	
Low	—	13.23	41.22	10.58	—
		(8/7/32)	(2/7/32)	(8/4/32)	

* Exch. dms bonds.

IND. DIVIDEND YIELD p.c.

Nov. 7	Oct. 31	Nov. 1 1974
4.60	4.59	5.71

N.Y. SE ALL COMMON INDEX

December 31, 1965=50.

1975 High	1975 Low	Nov 14	Nov 13	Nov 12	Nov 11	Nov 10
51.24 (15/7)	37.06 (2/1)	48.16	48.20	48.22	47.52	47.23

RISES AND FALLS

Issues traded	Up	Down	Unchanged
1,818	656	692	470

	Nov 14	Nov 13	Nov 12	Nov 11	Nov 10
New Highs	55	115	87	63	49
" Lows	9	11	17	18	26

AMERICAN SE MARKET VALUE INDEX

Starting base 100 Aug. 31, 1973.

1975 High	1975 Low	Nov 14	Nov 13	Nov 12	Nov 11	Nov 10
96.60 (15/7)	62.20 (2/1)	85.68	85.66	85.28	84.15	83.65
Volume (000's)		1,550	2,220	2,280	1,670	1,420

STANDARD AND POORS U.S. STOCK INDICES

	* Industrials	† Composite
Nov. 14	101.88	90.97
13	101.99	91.04
12	102.20	91.19
11	100.67	89.87
10	100.05	89.34
7	100.05	89.33
6	100.22	89.55
5	99.56	89.15
4	98.11	86.31
1975 High	107.40 (15/7)	96.91 (15/7)
1975 Low	77.71 (8/1)	70.74 (8/1)

* 425 Industrials. † 425 Industrials, 50 Utilities, 25 Rails.

STOCK AND BOND YIELDS

	Nov. 12 1975	Nov. 5 1975	Nov. 13 1974
Ind. Ord. yield pc	3.66	3.79	4.82
Ind. Ord. p/e ratio	12.02	11.76	8.46
Long-term Govt. Bds. per cent	6.07	6.06	8.56

FRIDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Westinghouse Elec.	330,700	11	−⅜
Levitz Furniture	185,200	4⅞	−½
Pan Amer. Air.	162,000	5⅞	—
Xerox	157,900	54⅛	−2¼
Norcast Utilities	146,700	10	−¼
Amer. Tel. Tel.	135,000	50⅞	—
Philip Morris	129,600	54⅞	−¼
CITI	127,900	30⅞	−⅛
General Motors	123,200	56⅝	−⅞
Gulf Oil	108,400	21⅞	−⅛

TORONTO

INDUSTRIAL INDEX

Nov. 14	Nov. 13	1975 High	1975 Low
176.90	176.77	196.50 (15/7)	139.41 (2/1)

MONTREAL

INDUSTRIAL INDEX

Nov. 14	Nov. 13	1975 High	1975 Low
151.01	151.07	205.61 (15/7)	159.93 (2/1)

COMBINED INDEX

Nov. 14	Nov. 13	1975 High	1975 Low
175.55	175.69	195.00 (12/7)	155.05 (2/1)

JOHANNESBURG

	Nov. 14	Nov. 13	1975 High	1975 Low
Industrials	216.2	217.9	228.9 (16/7)	181.2 (23/1)
Gold	234.3	236.5	379.1 (2/1)	203.3 (10/9)

(1958=100.) Source: Rand Daily Mail.

MELBOURNE YIELDS

W'ge yield on 50 Leading Stocks	Nov. 13	Nov. 6	Oct. 30
On Dividends	6.45	6.59	6.50
On Earnings	11.45	11.01	10.77

SYDNEY ALL ORD. INDEX

Nov. 14	Nov. 13	High 1975	Low 1975
410.25	411.63	422.40 (14/10)	288.38 (9/1)

TOKYO NEW SE INDEX

Base=100 January 4, 1968.

Nov. 14	Nov. 13	High 1975	Low 1975
315.35	315.09	335.11 (2/7)	268.24 (10/1)

HONG KONG INDEX ⊕

Nov. 14	Nov. 13	High 1975	Low 1975
309.93	311.10	341.57 (3/6)	160.42 (9/1)

SINGAPORE INDEX §

Nov. 14	Nov. 13	High 1975	Low 1975
229.9 2	228.38	268.69 (11/5)	155.20 (8/1)

EUROPE

	Nov. 14	Previous	1975 High	1975 Low
Belg'm (a)	98.54	98.48	111.81 (15/5)	89.01 (2/1)
Denm'k (b)	98.02	97.77	98.02 (14/11)	75.06 (15/1)
France (d)	67.0	67.4	72.6 (25/4)	51.70 (2/1)
Germ'y (e)	747.0	745.6	747.0 (14/11)	515.5 (2/1)
Holland (f)	88.1	87.6	107.6 (6/5)	85.2 (2/10)
Italy (g)	80.01	80.89	108.86 (21/2)	70.41 (17/10)
Spain (h)	105.05	104.74	110.96 (22/4)	91.85 (19/9)
Sweden (k)	404.64	405.43	409.51 (12/11)	310.56 (3/1)
Switz'rl'd (m)	284.8	287.3	299.1 (6/5)	206.5 (2/1)

Indices and base dates (all base values 100 (c)—(a) Belgian S.E. 31/12/63. (b) Copenhagen S.E. 1/1/73. (d) Paris Bourse 1961. (e) Commerzbank December 1953. (f) Amsterdam Industrial 1970. (g) Milan 2/1/73. (h) Madrid S.E. 31/12/74. (k) Stockholm Industrial 1/1/58. (m) Swiss Bank Corp 31/12/58. (u) Unavailable. ⊕ Hang Seng Bank 31/7/64. § Straits Times 1966. (c) Closed. + Adjusted.

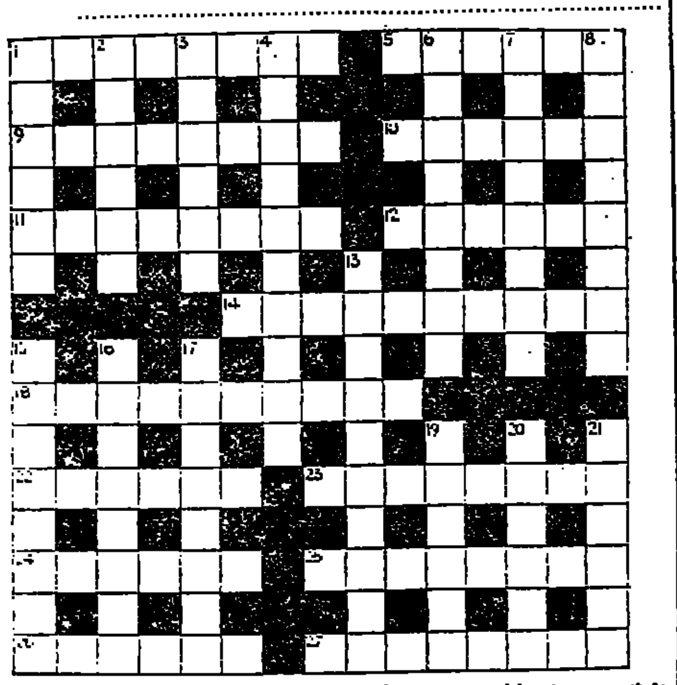
F.T. CROSSWORD PUZZLE No. 2,931

A prize of £3 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10, Cannon Street, London, EC4P 4BY. Winners and solution will be given next Saturday.

Name ....

Address ....

....



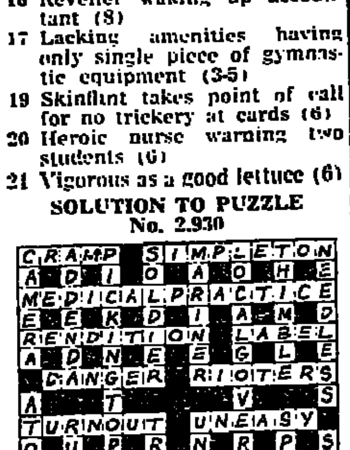
ACROSS

1 It's a bloomer to have flakes in winter (8)
5 Frame up at the counter (6)
9 Hold back while the others shower (8)
10 Fool on river has to take cover (6)
11 Faithful follower of chap from Belgium (5)
12 Elected to have damage to mudguard put in order (6)
14 Penitence is in a bad way (5, 5)
18 Loss of talent leaves the mind empty (5, 5)
22 Pry tho' disturbed by prize (6)
23 Rallying is no good for the old (8)
24 Rent is difficult to introduce (6)
25 Parliamentarian with no enduring style (4, 4)
26 Esteemed order one has to keep stocking up (6)
27 Was the basis of what might be felt on floor (8)

DOWN

1 Piercing call for silence comes over stream (6)
2 Put out when sued to make changes (6)
3 Hanged if it isn't mended (6)
4 Franco-German affirmatives to directors giving pointed and spirited messages (5, 5)
6 Firm uses public transport to take one to Cape (8)
7 Lawsuit over direction of pavement (8)
8 Female article the daughter put in case (8)
13 Bit of equity one country requires for admission to church (10)
15 Joining an attack by Billy (8)
16 Reveller waking up accountant (8)
17 Lacking amenities having only single piece of gymnastic equipment (3-5)
19 Skinflint takes point of call for no trickery at cards (6)
20 Heroic nurse warning two students (6)
21 Vigorous as a good lettuce (6)

SOLUTION TO PUZZLE No. 2,930



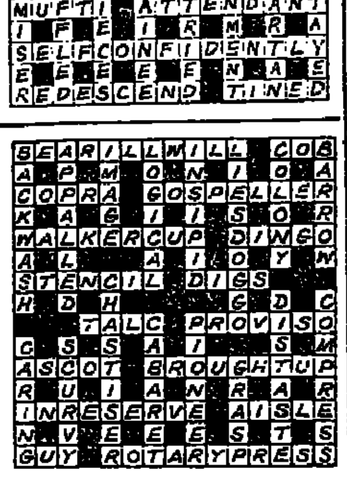
SOLUTION AND WINNERS OF PUZZLE No. 2,926

Following are the winners of last Saturday's prize puzzle:

Mr. J. L. Cope, 5, Gaion Road, London S.W.6.

Mr. D. R. Whately, The Down House, Lamberhurst, Kent.

Mrs. E. I. Nisbet, 9, Scarrowscant Lane, Haverfordwest, Dyfed, SA61 1EP.



RACING

BY DARE WIGAN

Easby Abbey revels in firm ground

THE BEST racing of the National Hunt season this week takes place at Ascot this afternoon when the most valuable events on the programme are the Black and White Whisky Gold Cup 'Chase and the Black and White Whisky Handicap Hurdle.

Parched gallops at most training centres have resulted in few of the better-class horses being fully fit, but one who is unquestionably fit is *Easby Abbey*, the northern challenger for the Gold Cup (2.35).

Easby Abbey, successful at Worcester a fortnight ago, revels in firm ground. He won six of the seven steeplechases that he contested last season, his only defeat, and a narrow one at that, being at the hands of Tom Morgan in the Mildmay 'Chase at Aintree.

Flashy Boy comes from Ireland and Santon Brig is not to be discarded lightly, but I side with Easby Abbey.

Probable favourite for the Black and White Whisky Handicap Hurdle (2.05) is Ruddy Drake, winner of a competitive race at Sandown on November 1. The form of that race has been franked by Grando King and Barnitzvah Boy, who finished second and third to him and who have each won since.

The one I like best, however, is *Supreme Halo*, who would have given William Pitt more to do in the Marlow Ropes John Skeaping Hurdle at Sandown had he had a previous outing.

Two of to-day's races are named after horses owned by Queen Elizabeth the Queen Mother. I hope and believe that she will win the Manicou Handicap 'Chase (3.10) with *Game Spirit*, who missed a race here yesterday.

Game Spirit has won twice over this course and distance and he had a preliminary outing when scoring from Credo's Daughter at Newbury the other day. *Verdi* who stays three miles well is selected for the Silwood Handicap (3.40).

Up in the North, *Tudor Abbe* is my idea of the winner of the Websters Green Label Handicap 'Chase (2.0).

Cancello looks best in the Wetherby Pattern 'Chase (2.30). And old *Whispering Grace*, fit from the flat, may still have the ability to land the Ladbroke Dragonara Casino Handicap Hurdle (3.0).

ASCOT
2.05—Supreme Halo**
2.35—Easby Abbey***
3.10—Game Spirit*
3.40—Verdi

WETHERBY
1.00—Tom Morgan
2.00—Tudor Abbe
2.30—Cancello
3.00—Whispering Grace

WARWICK
1.45—Asdic

Railway fans seek £30,000

A COMPANY formed by railway enthusiasts yesterday issued a share prospectus to raise £30,000 to re-open part of the picturesque "watercress line" in Hampshire.

The company, Winchester and Alton Railway Limited, already has £45,000 from a previous appeal.

The enthusiasts want to run a weekend steam service between Alresford and Ropley.

The line, closed in 1973, runs through some of the prettiest Hampshire countryside, noted for watercress beds.

OVERSEAS SHARE INFORMATION

NEW YORK

CANADA

GERMANY ●

MILAN

AUSTRALIA

TOKYO †

SWITZERLAND ●

PARIS

COPENHAGEN

AMSTERDAM

JOHANNESBURG

BRUSSELS

SPAIN ▼

STOCKHOLM

OSLO

VIENNA

FT CLIPPER RACE — BY ALEC BEILBY

Italians and Dutch battle on

WHILE the crews of the yachts Great Britain II and Kriter, which both reached Sydney a week ago, are now busy preparing for the return race home to Britain, the Italians aboard CS e RB II and the Dutch aboard Great Escape are still battling it out in the lonely miles of ocean between South Africa and Western Australia. Much smaller than the two leaders, which both beat the record set by the clipper Patriarch 106 years ago, the backmarkers are having to contend with storms that, apart from two instances, the leaders evaded.

Henk Huisman, skipper of the Dutch yacht, has been sending regular radio reports to Holland. His radio operator being confined to his bunk for the past four days following a fall from the mast. He reports that one severe storm seems to be sweeping eastwards after another and that slight damage has been caused to the steering gear which has been continually subjected to enormous strain.

They calculate that if present progress is maintained, they will reach Sydney at the end of the first week of December, giving them a much-needed two weeks to repair and prepare for the restart on December 21.

There has been no contact with CS e RB II since October 29, but she had radio difficulties early in the race and communications from her estimated position in the Southern Ocean are often almost impossible. Great Escape is averaging 150 miles per day and CS e RB II is known to be slightly faster and to have been close to the Dutch when last reporting, so she should reach Sydney a few days ahead of Great Escape.

In Sydney, the British yacht has the advantage of both crews being on hand to carry out maintenance. The crew for the homeward voyage arrived in Sydney shortly after the yacht and the successful outward crew have not yet flown home.

Sail mending and replacement is the main headache for the British. Their storing problem is relatively simple as they are using Army composite rations prepacked in daily parcels. The French, meanwhile, who ran short of food well short of Sydney, are having to rethink their catering plans, masterminded by Georges Commarmond who was chef aboard Eric Tabarly's Pen Duick VI during the last race around the world.

Having made a thorough inspection of the sails aboard Great Britain II her crew have decided that thirteen will have to be replaced; several spinnakers will need extensive repairs if money cannot be found to replace these.

With only five hours in hand over the French when they sail again from Sydney to London, the joint services crew realise that they will need the very best equipment if they are to win the Patriarch Trophy for the fastest circumnavigation.

The French, who are making much of the less significant handicap victory on the first leg, are seemingly benefiting from the generous resources of the sponsors, the proprietors of Patriarch and Kriter wines from Beaune.

Regions White Paper out in two weeks

BY JOHN BOURNE, LOBBY EDITOR

MR. EDWARD SHORT'S long-awaited White Paper on Scottish and Welsh devolution will be published about *November 27* after being finally approved by the Cabinet.

Although Mr. Short, the Lord President, has repeatedly promised a Devolution Bill early in the New Year, there is growing speculation among Labour MPs that it could be delayed until the spring or even take the form of a draft Bill, which might then be submitted for study to an all party, Commons select committee.

In the latter case, the final Bill, could be delayed until the autumn. However, some Scottish MPs believe that this would be a highly dangerous course, giving political ammunition to the Scottish National Party.

Ministers are keeping their cards close to their chests. However, there is a belief among usually well informed Labour MPs that the Cabinet may have softened some of the proposals in Mr. Short's draft White Paper, especially those dealing with the Scottish Assembly's power to levy its own taxes.

Senior Tory MPs say that if the White Paper went "too far" in its proposals, including those on Scottish taxation, most of their back benchers and a considerable number of Labour MPs would oppose it.

In the Conservative Party, the new factor has been the recent emergence of a strong anti-devolutionist mood among its English MPs, who fear that home rule for Scotland and Wales would be bound to produce demands for similar measures in the main English regions.

The English Tory MPs are certain to have a powerful voice in the new back benchers' constitutional committee, agreed to a few days ago by Mrs. Margaret Thatcher, the party leader.

Mrs. Thatcher is said by senior Tories to be keeping a completely open mind on devolution, while recognising the fact that commitments to the idea of an elected Scottish Assembly were given by Mr. Edward Heath when he was party leader and by Mr. Alick Buchanan-Smith, her "shadow" Scottish Secretary.

£ million adjusted seasonally

U.K. overseas trade and payments	Current Balance	Visible Balance Trade in Goods: Petroleum and petroleum products	Other goods	Total	Invisible Balance: Services and other current transactions
1974	−3668	−3423	−1811	−5234	+ 1566
1974 1st Qtr.	− 846	− 736	− 536	−1272	+ 426
2nd	− 947	− 888	− 448	−1336	+ 389
3rd	− 823	− 880	− 319	−1199	+ 376
4th	−1052	− 919	− 508	−1427	+ 375
1975 1st	− 430	− 782	− 54	− 836	+ 406
2nd	− 397	− 694	+ 7	− 687	+ 290
3rd	− 599	− 786	− 143	− 929	+ 330a
May	+ 16	− 231	+ 150	− 81	+ 97b
June	− 149	− 238	− 7	− 245	+ 96b
July	− 242	− 252	− 100	− 352	+ 110a
Aug.	− 261	− 278	− 93	− 371	+ 110a
Sept.	− 95	− 257	+ 52	− 205	+ 110a
Oct.	− 96	− 286	+ 80	− 206	+ 110a
Monthly Averages					
1975 March-July	− 121	− 229	+ 1	− 228	+ 107
Aug.-Oct.	− 151	− 273	+ 12	− 261	+ 110a

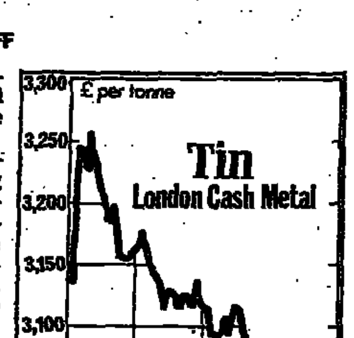
Figures in the tables incorporate the revisions announced on October 24
a Projections
b One third of the appropriate calendar quarter's estimate

MMODITIES/Review of the week

n price increase continues

OUR COMMODITIES STAFF

NDED the week on a rise nd on the London Metal ge, in contrast to the ase metals.
s for tin dipped early yes despite the continuing movement in the Malay ice and despite expecta f only a modest increase s this week in LME ware But, with cash tin down 45 and three months to a tonne, values were low to attract strong buying e East, lifting prices sub ly
he close, cash tin was igher on the week, at a tonne, and three was up by £51.5 at



r prices declined every il late on Thursday and easier again yesterday. nd short selling brought down, despite the weak sterling, and a rally in rnoon was not sufficient prices above the previ 's levels. At the close, irebars were £575.25 a 1.5 down on the day and lown on the week.
r reported from Lusaka rsday that an official of ional Union for the Total dence of Angola (Unita) imed that the rail link between Zambia and Angola may be re-opened in two weeks. And from Manila it was reported that China would absorb much of the excess copper concentrate export which the Phillippines could not ship to Japan, if the latter continued to cut back on imports.

Under the influence of the decline in copper, both lead and zinc lost ground during the week. Cash lead closed at £164.125 a tonne last night, £3.125 below last Friday's close, and cash zinc was £5 lower, at £344.75 a tonne.

London's leading soft commodity markets all traded in a narrow range this week. The biggest change was in sugar, where the London daily price for raws ended £17 lower, at £155 a ton, and the March futures position lost £11.725, at £159.475 a ton.

There was no fundamental reason for the decline in sugar, but the new level was borne out at yesterday's Tunisian buying tender when white sugar was purchased at $325 a tonne and raws at $305. London futures values advanced marginally yesterday, but this was attributed to pre-week-end short-covering and not to any change in sentiment.

A new plan for settling the Paris white sugar market debacle was put forward earlier in the week by the Ministry of Commerce. It envisages a settlement price of Frs.6,017 a tonne.

The March position on the London cocoa terminal market ended £4 lower on balance, at £825.25 a tonne, after finishing unchanged yesterday.

The coffee market was similarly featureless. London values tending to follow the trend in New York. The January futures position ended £4 higher on the week, at £703.5 a tonne, after slipping to £688.5.

KLY PRICE CHANGES

[illegible]

MARKET REPORTS

BASE METALS

COPPER—Lower again on the London Metal Exchange. Prices continued their recent downward movement, with trade and short-selling taking forward metal down to £585.5 before a recovery to £587 was prompted by short-covering on the afternoon Kerb. A further increase in the already record warehouse stocks figure is expected over the week, during which prices have fallen by around £11. Turnover 8,475 tonnes.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or — †
	£	£	£	£
Wirebars				
Cash	576.5-7.5	+2.75	575-.5	—1.5
3 months	586.5-7.5	+1.75	595-.5	—2.5
Settlem'nt	577.5	+3	—	......
Cathodes				
Cash	563.5-4	+3	561-.5	—3
3 months	583.5-4	+2.5	581-2	—3.25
Settlem'nt	564	+3	—	......
U.S. Smt.	—	......	*63-65.7	......

Amalgamated Metal Corporation reported that in the morning cash wirebars traded at £577, three months £598, 97.50, 98, 98.50, 98, 97, 96.50. Cathodes: cash £564, three months £584. Kerbs: Wirebars: cash £577, three months £597, 98 50, 96. Afternoon: Wirebars, cash £576, 75.50, three months £596, 96.50, 96, 95.50, 96, 95.50. Cathodes: three months £581.50. Kerbs: Wirebars: three months £596, 6.50, 7.

TIN—Rallied strongly. Prices here failed to respond initially to the further [illegible]

SILVER

Silver was fixed 1.2p an ounce higher for spot delivery in the London bullion market yesterday at 213.4p. U.S. cent equivalents of the fixing levels were: spot 436.3c, down 1.8c; three-month 444.7c, down 2.4c; six-month 453.4c, down 2.8c; and 12-month 473.6c, down 3.3c. The metal began at 212.8-213.8p (436-438½c) and closed at 212.9-213.9p (436-438½c).

SILVER per troy oz.	Bullion fixing prices	+ or —	L.M.E. close	+ or —
Spot	213.4p	+1.2	212.75p	—1.85
3 months	220p	+1.0	219.45p	—1.85
6 months	226.5p	+1.0	—	......
7 months	—	......	228.45p	—1.75
12 months	240.9p	+1.0	—	......

LME—Turnover 171 (195) lots of 10,000 ozs. Morning: Cash 213.7: three months 219.9, 20.0, 20.3, 20.5. Kerbs: Three months 220.4, 20.3. Afternoon: Three months 219.5, 19.4, 19.3, 19.4, 19.5. Kerbs: Three months 219.5, 19.8, 20.0, 20.1.

COCOA

Market conditions continued quiet, values remaining within a narrow range to close the week barely steady, reports Gill and Duffus.

COCOA	Yesterday's Close	+ or —	Business Done
No.4 Contract			
December	648.0-48.5	—1.5	658.0-48.0
March	626.0-25.5	......	632.0-25.0
May	605.5-06.5	+0.25	612.5-5.0
July	597.0-99.0	+0.25	603-600
September	592.0-93.0	+1.0	597.0-92.0
December	583.0-84.0	+2.0	588.5-84.0

[illegible]

COFFEE

[illegible]

FREIGHTS

[illegible]

GRAINS

[illegible]

RUBBER

SLIGHTLY HIGHER [illegible]

SOYABEAN MEAL

[illegible]

SUGAR

[illegible]

MEAT/VEGETABLES

[illegible]

JUTE

[illegible]

WOOL FUTURES

[illegible]

FINANCIAL TIMES — REUTER'S — DOW JONES — MOODY'S

[illegible]

U.S. Markets

New fighting in Angola lifts coffee

NEW YORK, Nov. 14.

PRECIOUS METALS closed mixed as silver and platinum benefited from speculative shortcovering, while gold slid on scattered selling. Copper and cocoa also declined on Commission House stop-loss selling, while coffee rallied on news of further fighting in Angola. Grain futures edged higher on renewed speculative buying, Bache reports.

Cocoa—Ghana spot 68. Bahia spot 60. Dec. 57.60 (58.20), March 54.15 (54.55), May 52.35, July 50.90, Sept. 49.90, Dec. 48.95, March 46.50. Sales 1,404.

Coffee—Spot Santos No. 4 unquoted (same), Colombian Mams unquoted (same). "C" Contract: Nov. 74.65 (75.15), Dec. 76.60-76.65 (75.62), March 77.30-77.40, May 77.55-78.00, July 78.55-78.75, Sept. 79.45.

Copper—Nov. 54.70 (55.30), Dec. 54.90 (55.50), Jan. 55.50, March 56.60, May 57.70 settlements. Sales 2,968 lots.

Cotton—Dec. 53.80-53.95 (52.96), March 55.40-55.44 (54.52), May 56.05, July 56.55-56.65, Oct. 56.60-56.70, Dec. 56.75-56.80, March 57.05-57.15, May 57.15 bid. Sales 5,050.

†Gold—Nov. 141.10 (142.40), Dec. 141.60 (142.80), Jan. 142.40, Feb. 143.20, April 145.00, June 146.90, Aug. 148.90, Oct. 150.50, Dec. 152.70, Feb. 154.50. [illegible]

This week's SE dealings

Friday, November 14	7,757	Wednesday, November 12	8,627	Monday, November 10	7,837
Thursday, November 13	8,241	Tuesday, November 11	8,698	Friday, November 7	8,377

The list below records all yesterday's markings and also the latest markings during the week of any share not dealt in yesterday. The latter can be distinguished by the date (in parentheses).

The number of dealings marked in each section follows the name of the section. Unless otherwise denoted shares are £1 fully paid and stock £100 fully paid. Stock Exchange securities are quoted in pounds and fractions of pounds or in new pence and fractions of new pence.

The list below gives the prices at which bargains done by members of The Stock Exchange have been recorded in The Stock Exchange Daily Official List. Members are not obliged to mark bargains, except in special cases, and the list cannot, therefore, be regarded as a complete record of prices at which business has been done. Bargains are recorded in the Official List up to 2.15 p.m. only, but later transactions can be included in the following day's Official List. No indication is available as to whether a bargain represents a sale or purchase by members of the public. Markings are not necessarily in order of execution, and only one bargain in any one security at any one price is recorded.

‡ Bargains at Special Prices. Δ Bargains done with or between non-members. ◆ Bargains done previous day. § Bargains done with members of a recognised Stock Exchange. ♣ Bargains done for delayed delivery or "no buying-in." $A—$Australian; $B—$Bahamian; $C—$Canadian; $HK—$Hong Kong; $J—$Jamaican; $Ma—$Malayan; $Me—$Mexican; $NZ—$New Zealand; $S—$Singapore; $US—$United States; $WI—$West Indian.

BRITISH FUNDS, ETC. (826)

11½pc Treasury Stk. 1981 96[illegible]
9pc Treasury Cnv. Stk. 1980 89◆ [illegible]
2½pc War Ln. 23½◆ [illegible]

INT. BANK STOCK (—)

CORPN. & COUNTY—U.K. (68)

PUBLIC BDS., ETC.—U.K. (27)

COMMONWEALTH GOVT. AND PROVINCIAL SECURITIES (24)

CMMNWTH. CORPN. STKS. (—)

FOREIGN STKS., BDS., ETC. (6)

CORPN. STKS.—FOREIGN (—)

U.K. AND COMMONWEALTH RAILWAYS (7)

FOREIGN RAILWAYS (—)

BANKS & DISCOUNT COS. (318)

Toronto Dominion Bank ($C2) 31¼ (10/11)
Trade Devpt. Bk. Hldgs. S.A. (Reg.) ($US1.50) 5½ (13/11)
Union Discount London 330◆ 27½ 32
Wells Fargo ($US5) 13⅝
Wintrust (20p) 59½◆ ¼◆

BREWERIES & DISTILLS. (219)

CANALS & DOCKS (4)

COMMERCIAL, INDUSTL. (4,536)

A—B

Babcock and Wilcox (25p) 70½◆ 70 69½ 9 8 79½ 71½ 1. New (25p) 71◆ 69 8 70. 4pcPf. 28 (10/11). 6pcDb. 58¼ (12/11)
Bailey (C. H.) (10p) 5½◆ ¼ 6¼ (13/11)
Baird (Hugh) and Sons (5p) 16 (13/11)
Baird (William) 88◆ 6 7½
Bairns-Wear 4½pcDb. 65◆ 8
Baker Perkins Holdings (50p) 50½ 49
Bakers Household Stores (Leeds) (10p) 13◆ (13/11)

C—D

Ciro Hldgs. (5p) 13½
Clark and Fenn (Hldgs.) (25p) 42 (12/11)
Clarke Chapman (25p) 70½. 6½pcLn. 68 (10/11)
Clarke (Cement) (Hldgs.) (25p) 52◆ (13/11)
Clay (Richard) 6pcPf. 33◆
Clayton Dewandre Hldgs. (25p) 79 8 7
Clayton Son (Hldgs.) (50p) 42 (13/11)
Clifford and Snell (5p) 6
Clover Croft and State (25p) 35

E—F

Footwear Industry Investmt. (10p) 43 4 (13/11)
Ford Internatl. Capital Cpn. 6pcCnv.Gtd. Ln. 44◆ 5◆ (13/11). 7¼pcCnv.Gtd. Ln. 73½ (13/11)
Forte Hldgs. 4.8pcDb. 36 5¼ (12/11)
Fortnum Mason 58◆ 90
Foseco Minsep. (25p) 175◆ 2½ 3 2 1½ 1 4. 6¼pcPf. 44◆
Foster Brothers Clothing (25p) 64
Foster (John) Son (25p) 24 (13/11)
Fothergill Harvey (25p) 79½◆ (13/11)
Fox's Biscuits (25p) 55 (11/11)

G—H

I—J—K

L—M

N—O—P

Q—R—S

Sheepbridge Engg. (25p) 53½◆ Db. 55½ ¼
Shellabear Price (Hldgs.) (25p)
Shephard (E.) (25p) 56
Sidlaw Industs. (50p) 59◆
Siebe Gorman Hldgs. (25p)
Siemssen. Hunter (10p) 24½
Silentbloc Hldgs. (10p) 29◆
Silentnight Hldgs. (10p) 37½
Silhouette (London) (20p) 30 (20p) 27½◆ (13/11)
Silkolene Lubricants (10p) 60◆
Silverthorne Group (10p) 9
Simon Engg. (25p) 119½◆ 20◆. Pf. 37◆
Simpson (S.) A (25p) 38
Sirdar (25p) 32◆. 7¼pcPf.
600 Group (25p) 64½ 3½
Sketchley (25p) 65½◆ ¼
Slimma Group (25p) 40
Smart (J.) (Contractors) (10p)

BANK RETURN

—	Wednesday Nov. 12 1975	Inc. (+) or dec. (—) for week
BANKING DEPARTMENT		
LIABILITIES	£	£
Capital	14,553,000	—
Public Deposits	20,334,345	+ 511,094
Special Deposits	952,705,000	+ 11,185,000
Bankers	252,922,801	— 11,193,417
Reserves & Other Accs.	305,910,322	— 43,945,114
	1,551,445,468	— 44,042,437
ASSETS		
Govt. Securities	1,216,341,535	— 46,290,000
Advances & Other Accs.	253,545,041	— 24,921
Premises, Equipt. & other Secs.	84,957,882	— 95,746
Notes	36,306,552	— 3,306,502
Coin	296,460	+ 32,732
	1,551,445,468	— 44,042,437
ISSUE DEPARTMENT		
LIABILITIES	£	£
Notes Issued	5,900,000,000	+ 25,000,000
In Circulation	5,863,693,448	+ 3,807,502
In Bank'g Dept.	36,306,552	— 3,306,502
ASSETS		
Govt. Debt	11,015,100	—
Other Govt. Secs.	5,238,490,526	+ 1,800,971
Other Securities	650,485,054	— 1,650,971
	5,900,000,000	+ 25,000,000

[illegible]

W—Y—Z

[illegible]

GAS (50)

[illegible]

INSURANCE (225)

[illegible]

INVESTMENT TRUSTS (224)

[illegible]

ELEC. LIGHTING & POWER (—)

[illegible]

FINANCIAL TRUSTS, ETC. (136)

[illegible]

IRON, COAL & STEEL (64)

[illegible]

MINES:

Australian (6)

[illegible]

Miscellaneous (45)

[illegible]

Rhod. & E. African (30)

[illegible]

South African (83)

[illegible]

West African (4)

[illegible]

Diamond (14)

[illegible]

OIL (204)

[illegible]

PROPERTY (274)

[illegible]

RUBBER (36)

[illegible]

SHIPPING (67)

[illegible]

TEA & COFFEE (18)

[illegible]

TRAMWAYS & OMNIBUS

Anglo-Argentine Trams 5pc1stDb. 17 (10/11). 4pc3rdDb. 50 (13/11)

WATERWORKS (6)

Bristol 3.5pc (Max.) 32 (13/11). 4.025pcPf. 60 (13/11). 4.55pcPf. 66 (10/11). East Anglian 3.5pc Cons. 30½ (13/11). East Surrey A 10pc 41 (11/11). 3.5pcPf. 49 (11/11). 9pcPf. 23 (11/11)

East Worcestershire 4.2pcPf. 56½ (1/7/1)
Essex 3.5pc Cons. 30½ (13/11)
Felixstowe 3.5pc 255 (12/11). 4.9pc 56 (11/11). 4pcDb. 23 (10/11)
Lee Valley 3.5pc 30½ (13/11)
Mid Kent 3.5pc Cons. 31½ (13/11). 4.55pcPf. 60
Mid-Southern 3.85pcPf. 1980-81 67 (11/11)
Mid-Sussex 4.9pc 42½ (10/11)
Newcastle Gateshead 10pcPf. 22½
North Surrey 4pcDb. 23 (10/11). [illegible]Db. 24½ (10/11). 5pcDb. 280
Portsmouth 3.5pc 29½ (13/11). 4.025pc Pf. 52. 3½pcDb. 19½ (11/11)
Rickmansworth 4.025pcPf. 590 (13/11)
South Staffordshire 4pcDb. 22½ (12/11)
Sunderland South Shields 3.85pcPf. 58 (11/11). 7pcDb. 54
West Hampshire 4pcDb. 23 (10/11)

SPECIAL LIST

NOVEMBER 14 (Nil)

NOVEMBER 13 (Nil)

NOVEMBER 12 (Nil)

NOVEMBER 11 (Nil)

NOVEMBER 10 (Nil)

Rule 163(1)(e)

Bargains marked under Rule 163 (1) (e) in securities for which quotation has not been granted and which are not recorded in the Official List.

NOVEMBER 14

Acme Gas and Oil 4½
American Broadcasting Inc. £17¼
American Telegraph and Telephone $US50⅞
Australian Foundation Invest. 74
Australian Guarantee Con 175
Australian Mining and Smelting 124
Badische Anilin and Soda Fabrik £44½
Bougainville Copper A1 80
Ciba Geigy 8pc £103½
Cleckheaton 215
Colonial Sugar Refineries 410, New 19 208 196 7 200 196
Dresdner Bank £79½
Endeavour Oil 15½
Exxon Con £70
F and T Inds. 77½
General Foods £22⅛
Hong Kong Land 94 70 7

[illegible]

NOVEMBER 13

[illegible]

NOVEMBER 12

[illegible]

NOVEMBER 11

[illegible]

NOVEMBER 10

[illegible]

ERRATA

Errata—Pernambuco (State of) 5pc 1905 A should have been marked £68 (5/11/75)
(By permission of the Stock Exchange Council)

NEW HIGHS AND LOWS FOR 1975

The following securities (numbers in parentheses) among those quoted in the Share Information Service yesterday attained new highs and lows for 1975.

NEW HIGHS (77)

BRITISH FUNDS (2)
Treas. 3pc 1977 — Treas. 3pc 1979

FOREIGN BONDS (1)
Japan 4pc '10 Ass

AMERICANS (7)
Carborundum — Owens-Illinois
Caterpillar — TRW
Eaton Crp — Woolworth
Ford Motor

CANADIANS (3)
Bk. Nova Scotia — Pacific Petrol
Hudson Bay Oil & Gas

BANKS (1)
Dawes (G. R.)

BEERS (1)
Glenlivet

BUILDINGS (6)
Bamburgers — Nottingham P. Brick
Barratt Hallamshire — Redland
Feb Intl. — Travis and Arnold

CHEMICALS (4)
Stewart Plastics — Willows Francis
Story Bros. — Yorkshire Chems.

STORES (1)
Henderson Kenton

ELECTRICALS (2)
Campbell Isherwood — Jones Stroud

ENGINEERING (12)
APV — Mitchell Somers
Fairey — Neill (J.)
Gaston Cooper — Porter Chadburn
Glynwed — Senior Eng.
Head Wrightson — Shaw Francis
Lloyd (F. H.) — Sheepbridge

FOODS (1)
Hillards

INDUSTRIALS (12)
AAH — Longton Transport
Bestobell — McBride (R.)
Brammer (H.) — Magnolia Mfg.
Cawdaw — Pritchard Services
Hepworth Ceramic — Sangers
Hunting Assoc. — Stonehill Hldgs.
Imp. Cont. Gas

INSURANCE (2)
Provident B — Sun Alliance

MOTORS (7)
Ford (BOR) — Lucas Inds.
Fodens — Wilmot-Breeden
Peak Invs. — Quick (H. J.)
Kwik-Fit (T. and E.)

NEWSPAPERS (1)
Pearson Longman

SOUTH AFRICANS (1)
Ass. Manganese

TEXTILES (3)
Hicking Pentecost — Vita-Tex
Tootal

TRUSTS (6)
Ashdown Invs — Northern American
Continental Ind. — Pentland Inv
Leda Inv. Cap. — Scottish Cities A

TEAS (1)
Jokai

MINES (2)
Petaling — Cons. Murchison

NEW LOWS (9)

PROPERTY (3)
Amal. Inv. Prop. — Woodmill
Cap. and Counties

OILS (1)
Ranger Oil

MINES (5)
Durban Deep — Doornkraal
Rand Leases — Harmony
Leslie

RISES AND FALLS YESTERDAY

	Up	Down	Same
British Funds	5	8	42
Corpns. Dom. and Foreign Bonds	6	15	50
Industrials	261	361	1,109
Financial and Prop.	72	122	403
Oils	5	14	14
Plantation	2	9	36
Mines	15	72	67
Recent Issues	5	10	21
Totals	368	610	1,735

ACTIVE STOCKS

ON THE WEEK—

Stock	Denomination	No. of marks	Closing price (p)	Change on week	1975 high	1975 low
ICI	£1	112	313	+12	319	118
Barclays Bank	£1	64	308	−4	325	112
Shell Transport	25p	64	378	−5	386	118
EMI	50p	61	221	−9	253	62
Debenhams 'New'	Nil/pd.	59	27*	−3	31½*	24*
Courtaulds	25p	57	144	−6	154	53
Lonrho	25p	57	115	+4	150	68
BP	£1	52	583	−4	598	190
GEC	25p	52	140	−2	143	51
Unilever	25p	50	412	−4	428	170
Distillers	50p	49	125½	−2½	150	65½
Boots	25p	48	135	−8	145	45½
"Bats"	25p	46	325	−5	338	164
Rank Org. 'A'	25p	46	185	—	205	78
Glaxo	50p	45	345	+3	427	198

* Premium.

YESTERDAY—

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1975 high	1975 low
Amal. Inv. & Prop.	25p	17	12½	−3½	75	9½
Lonrho	25p	14	115	+3	150	68
ICI	£1	13	313	+1	319	118
Debenhams 'New'	Nil/pd.	11	27*	−1	31½*	24*
Shell Transport	25p	11	378	—	386	118
Barclays Bank	£1	10	308	—	325	112
Fairey	25p	10	79	+1	79	19½
Marks & Spencer	25p	10	104	—	128	47½
Slater Walker	25p	10	23	—	108	20
BICC	50p	9	123	—	140	66
Bowater	£1	9	173	−1	179	50
BP	£1	9	583	—	598	190
EMI	50p	9	221	+5	253	62
Eng. Prop.	50p	9	40	−1	93	25
Glaxo	50p	9	345	−2	427	198

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1) (e) and reproduced to-day in Stock Exchange dealings.

* Premium.

Option Report—3-month Call rates

OPTION DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Nov. 11	Nov. 24	Feb. 5	Feb. 17
Nov. 25	Dec. 8	Feb. 19	Mar. 2
Dec. 9	Dec. 22	Mar. 4	Mar. 16

"Calls" were dealt in Burmah Oil, Dunlop, National Westminster Bank Warrants, Triplevest, Capital, Robb Caledon, Electrical and Industrial, Amalgamated Investment, Lonrho, Siebens Oil and Gas, Charterhall Finance, Courtaulds, Guest Keen, London City and Westcliff and English Property. "Puts" were done in British Land, F. W. Woolworth and Courtaulds, while "doubles" were arranged in Orme Developments, Grindlays, Lonrho and British Land.

Industrials							
A.P. Cement	15	Grand Met.	7	Slater Walker	9		
Assoc. Leisure	5	G.U.S. 'A'	17	Spillers	5	Mines	
Barclays Bank	25	Guardian	20	Tesco	6	Anglo Amer.	50
Beecham	28	G.K.N.	23	Thorn "A"	17	Broken Hill Pty	75
Boots Drug	12	Hawker Sidd.	27	Tube Invest.	24	Charter Cons.	22
Bowaters	16	House of Fraser	8	Unilever	55	Charterhall Fin	10
B.A.T.	50	[illegible]	4	Utd. Drapery	10	Cons. Gold.	22
British Leyland	7	I.C.I.	21	Vickers	15	De Beers Def.	55
BOC Int.	5½	"Imps"	7	Woolworths	6	F.S. Geduld	350
Burton 'A'	9	I.C.L.	7			Great Boulder	12
Cadburys	6	Inveresk	7	Property		Hampton Areas	15
Courtaulds	12	Legal & General	13	Cap. Counties	4½	Hampson Prop.	4
Debenhams	8	Lloyds Bank	22	E.P.	8	[illegible]	140
Distillers	13	"Lofs"	6	Int. Europe	6	Lonrho	13
Dunlop	5½	"Mams"	6	Land Securities	18	Lorraine	55
Eagle Star	13	Marks & Sp'ncer	11	Peachey	6	Metals Explor	8
E.M.I.	17	Midland Bank	25	Town & City	4½	Poseidon	55
First National	2	Nat West Bank	22	Town & Comm.	4	Pres. Steyn	175
G.R.A. Trust	4	P & O Dfd.	10			RioT.Zinc	20
Gen. Accident	16	Plessey	6	Oils		Welkom	55
Gen. Electric	15	R.H.M.	6	Brit. Petroleum	45	West Areas	75
Glaxo	40	Rank Org. 'A'	17	Burmah Oil	5	Western Mng.	18
		Reed Int'l	23	Shell	50	Zambian Copp.	10
				Ultramar	21		

LOCAL AUTHORITY BOND TABLE

Authority (telephone number in parentheses)	Annual gross interest	Interest payable	Minimum sum	Life of bond
	%		£	Year
Barking (01-592 4500)	12	½-year	1,000	2-5
Burnley (0282 25011)	12¼	½-year	1,000	3-5
Greenwich (01-854 8888)	12¼	½-year	500	3-5
Islington (01-226 1234)	12¾	½-year	5,000	4-7
Kingswood (0272 673061)	11½	Maturity	250	1
Liverpool (051 227 3911)	12	½-year	500	3-4
Liverpool (051 227 3911)	12¼	½-year	500	5-7
Manchester (061 236 3377)	12¼	½-year	500	3
Oldham (061 624 0505)	12¼	½-year	500	3-5
Oxford (0865 49811)	12¼	½-year	5,000	3-5
Peterborough (0733 63141)	12¼	Yearly	1,000	2
Peterborough (0733 63141)	12¾	Yearly	1,000	3-5
Redbridge (01-478 3020)	12⅝	½-year	1,000	3-5
Rochdale (0706 47474)	12¾	½-year	1,000	3-7
Sandwell (021 569 2226)	12¼	½-year	1,000	2-5
Southend (0702 49451)	12¼	½-year	250	2-4
Thurrock (0375 5122)	11½	½-year	300	1-2
Wandsworth (01-874 6464)	12⅞	½-year	5,000	5-7
Wandsworth (01-874 6464)	12⅝	½-year	1,000	5-7
Wrekin (0952 3571)	12¼	½-year	2,000	2-5

BUILDING SOCIETY RATES

	Dep.	Share Accnts.	Sub'pn Shares	Variable Term Shares
[illegible] National	6.75%	7.00%	8.25%	*8.00%
[illegible]ce	6.75%	7.00%	8.25%	‡‡7.75%
[illegible]a	6.75%	7.00%	8.25%	‖7.75%
[illegible]ngham Incorporated	6.75%	7.00%	8.25%	—
[illegible]ord and Bingley	6.75%	7.00%	§8.25%	—
[illegible]l and West	6.75%	7.00%	8.00%	—
[illegible]l Economic	6.75%	7.00%	8.25%	†7.25%
[illegible]ff	6.75%	7.50%	8.50%	—
[illegible]ea	6.75%	7.00%	9.00%	†7.25%
[illegible]enham and Gloucester	6.75%	7.00%	—	‡7.75%
[illegible]ns Regency	6.75%	7.25%	8.75%	—
[illegible] of London	7.00%	7.50%	8.25%	—
[illegible]nd Metropolitan	6.75%	7.25%	7.50%	¶8.00%
[illegible]try Economic	6.75%	7.00%	8.75%	§§7.75%
[illegible]ay	6.75%	7.00%	8.25%	¶7.75%
[illegible]wich	6.00%	7.10%	8.50%	—
[illegible]lian	6.75%	7.25%	7.50%	‡7.65%
[illegible]x	6.75%	7.00%	7.50%	¶7.75%
[illegible]gs and Thanet	6.75%	7.00%	8.25%	—
[illegible]s of Oak & Enfield	6.75%	7.25%	8.50%	—
[illegible]n	7.00%	7.30%	—	*8.05%
[illegible]ersfield and Bradford	6.75%	7.00%	8.50%	♡7.75%
[illegible]ngton Spa	6.87%	7.12%	9.50%	7.50%
[illegible] and Holbeck	6.75%	7.00%	8.25%	—
[illegible] Permanent	6.75%	7.00%	8.25%	—
Westbourne and ECBS	6.75%	7.00%	8.25%	¶¶7.75%
[illegible]ter	6.75%	7.00%	8.25%	††7.75%
[illegible]ool	6.75%	7.00%	8.30%	*7.50%
[illegible]t	6.75%	7.00%	7.75%	♡7.75%
[illegible]ngton Permanent	6.45%	7.65%	—	—
[illegible]nal Counties	7.00%	7.25%	8.25%	◊7.75%
[illegible]nwide	6.75%	7.00%	7.50%	♤8.25%
[illegible]astle Permanent	6.75%	**7.00%	7.75%	8.00%
[illegible]ern Rock	6.75%	7.00%	8.00%	‡7.75%
[illegible] London	7.50%	8.00%	—	♤8.95%
[illegible]ich	6.75%	7.00%	8.25%	—
[illegible]y	6.75%	7.00%	7.50%	¶¶7.50%
[illegible]rty Owners	6.75%	7.50%	8.50%	†7.85%
[illegible]cial	6.75%	7.00%	8.25%	7.75%
[illegible]n	6.75%	7.00%	8.25%	†7.25%
[illegible]s Mutual	6.75%	◊7.30%	—	—
[illegible] and Country	6.50%	7.00%	10.00%	¶¶7.75%
[illegible]vich Equitable	6.75%	7.00%	8.25%	¶7.75%

[illegible]imum £2,000 6 mths. notice. † 3 mths. ‡ 3 yrs. § 3 yrs. in[illegible]g bonus. ‖ Min. £500 2 yrs. fixed. ¶ 4th issue 2 yrs. * 2 yrs. £5,250. ** 7.50% over £5,000. †† 2-3 yrs. ‡‡ 2 yrs. §§ 7.50% [illegible]s. notice after 9 mths. ¶¶ 2 yrs. £1,000 min. ♡ Min. £100 2 [illegible]ixed. ◊ Min. £1,000 6 mths. notice. ♤ 3 yrs. over £5,000. [illegible] £5,000 and over 7.55%. ‡ Min. £1,000 3 mths. notice.

U.K. CONVERTIBLE STOCKS 14/11/75

Statistics provided by *data STREAM international*

Name and description	Size (£m.)	Current price	Terms*	Conversion dates	Flat yield	Red. yield	Premium† Current	Premium† Range‡	Income Equ.§	Income Conv.‖	Income Diff.♡	Cheap(+) Dear(−)◊ Current
Alcan Aluminum 9pc Cv. 89-94	12.00	62.00	100.0	76-80	15.4	16.0						
Associated Paper 9½pc Cv. 85-90	1.40	77.00	200.0	76-85	12.9	13.7	8.5	5 to 19	50.9	50.5	−0.5	−9.0
Bank of Ireland 10pc Cv. 91-96	10.25	146.00	35.7	77-90	6.9	5.6	10.5	10 to 22	44.0	61.0	12.9	+2.4
BPB 7¾pc Cv. 89-94	4.89	96.00	62.8	72-80	8.0	8.1	7.5	2 to 34	23.4	25.4	2.2	−5.3
English Property 6½pc Cv. 98-03	19.16	88.00	234.0	76-80	7.4	7.6	−6.0	−18 to 0	34.6	19.3	−16.3	−10.3
English Property 12pc Cv. 00-05	15.40	88.00	150.0	76-84	13.7	13.7	46.7	19 to 47	33.9	56.1	37.0	−9.6
Grand Metropolitan 10pc Cv. 91-96	125.50	91.60	120.2	73-78	11.1	11.3	6.6	5 to 16	11.2	17.1	6.9	+0.3
Hanson Trust 6½pc Cv. 88-93	4.51	80.00	57.1	76-86	8.2	8.8	18.1	5 to 23	31.7	34.5	4.1	−14.0
Hewden-Stuart 7pc Cv. 1995	0.72	140.00	280.0	75-95	5.1	4.2	2.0	−5 to 30	55.9	47.0	−6.4	−8.5
Lyons, J. 7½pc Cv. 1981	3.60	74.00	22.7	75-81	9.9	14.3	103.5	104 to 153	12.5	27.4	41.1	−62.4
Slough Estates 10pc Cv. 87-90	5.50	133.00	125.0	76-87	7.9	6.6	37.3	29 to 42	25.4	58.2	33.9	−3.4
Tozer, Kemsley 8pc Cv. 1981	7.33	82.00	153.8	74-79	9.8	12.4	15.9	16 to 47	16.0	21.5	7.7	−8.2
Wilkinson Match 10pc Cv. 83-98	11.10	89.75	40.0	76-83	11.6	11.8	58.9	46 to 74	24.1	49.0	43.4	−13.5

* Number of Ordinary shares into which £100 nominal of convertible stock is convertible. † The extra cost of investment in convertible expressed as per cent. of the cost of the equity in the convertible stock. ‡ Three-month range. § Income on number of Ordinary shares into which £100 nominal of convertible stock is convertible. This income, expressed in pence, is summed from present time until income on Ordinary shares is greater than income on £100 nominal of convertible or the final conversion date whichever is earlier. Income is assumed to grow at 5 per cent. per annum and is present valued at 15 per cent. per annum. ‖ Income on £100 of convertible. Income is summed until conversion and present valued at 15 per cent. per annum. ♡ This is income of the convertible less income of the underlying equity expressed as per cent. of the value of the underlying equity. ◊ The difference between the premium and income difference expressed as per cent. of the value of underlying equity. + is an indication of relative cheapness. − is an indication of relative dearness.

STOCK EXCHANGE REPORT

Markets inclined easier after trade figures

Index down 0.8 at 365.6, but up 14.4 on the Account

Account Dealing Dates Option *First Dealings	Declarations	Last Dealings	Account Day
Nov. 3	Nov. 13	*Nov. 14	Nov. 25
Nov. 17	Nov. 27	Nov. 28	Dec. 9
Dec. 1	Dec. 11	Dec. 12	Dec. 23

* "New time" dealings may take place from 9.30 a.m. two business days earlier.

An active week in equities ended on a rather subdued note yesterday. After Thursday's bout of profit-taking, leading industrials fluctuated narrowly until the 3.30 p.m. announcement of the October trade figures when prices were marked down a penny or so. However, there was no pressure to sell in the late dealings and the tone was fully steady at the lower levels. Down 1.4 at 1 p.m., then up 0.1 at 3 p.m., the FT 30-share closed a net 0.8 down at 365.6, for a loss of 3.7 on the week. Over the Account, however, the index recorded a gain of 14.4.

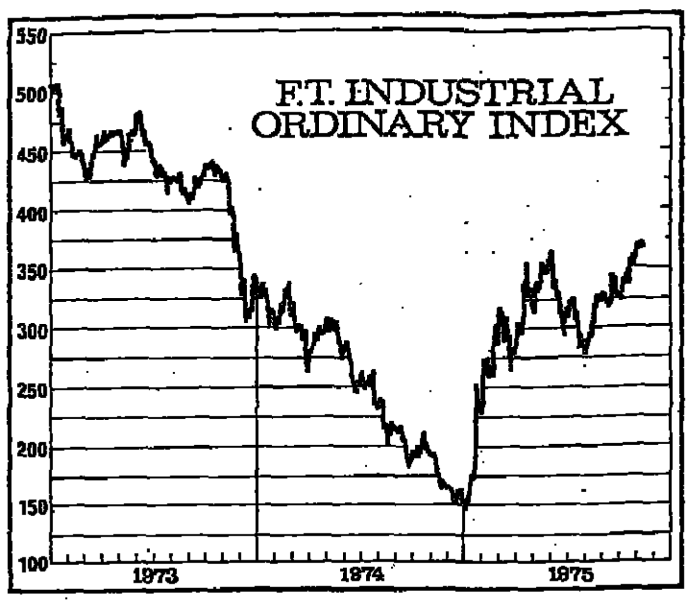
Short gilts also registered mild disappointment with the trade figures, but final quotations were only a fraction lower. The Government Securities index eased 0.03 to 58.57, but showed a rise of 0.32 on the week. News of the ¼ per cent. reduction in Minimum Lending Rate to 11¾ per cent. appeared to be discounted and had little impact on either gilts or equities.

Interest faded in second-line equities, but the overall trend was no worse than mixed. Falls were in a 4-3 majority over rises in FT-quoted Industrials, while the FT-Actuaries All-Share index eased 0.3 per cent. to 155.99. A lively week's trading was reflected in average daily markings of 8,232, the highest since the week ending April 25 last.

Gilts quietly mixed

The latest U.S. money supply figures were responsible for initial uncertainty in Gilt-edged and quotations opened with falls to ¼ throughout the list. Cheap buyers soon appeared, however, and a rally had developed before money market indications that a small fall in Minimum Lending Rate would probably occur. Trade was none too impressive from midday onwards but ahead of the MLR announcement, confirming the reduction to 11¾ per cent., all prices had reverted to overnight list levels. The after-hours' October Trade figures were considered mildly disappointing but their effect on the medium and longer end of the market was negligible. In contrast, the shorts eased in places; the confidently expected announcement of a new low, or high, coupon "tap" stock issue failed to materialise.

Small offerings in a market later lacking interest brought the investment currency premium back from a higher rate of 109¼ per cent. to the overnight level of 108¾ per cent. Yesterday's SE conversion factor was 0.6065 (0.6062).



Nat. West. easier

A dull market on Thursday following news that National Westminster had placed its 8 per cent. shareholding in Standard and Chartered (10 easier at 480p) with various institutions at 477p per share. The former remained a sensitive market on continuing vague rumours of a "rights" issue; opening at around 246p, the shares were sold down to 242p before rallying to close only a penny softer on the day at 245p. Lloyds ended 2 lower at 238p, after 243p, but Midland improved that much to 298p, after 293p. A firm market of late on investment demand, Guinness Peat encountered end-Account profit-taking and lost 7 to 178p. An investment recommendation, however, helped Slater Walker 9¾ per cent. Convertible 1984 rise 4 points to £49¼; the Ordinary slipped down to 22p initially, but then rallied to close unaltered on the day at 23p.

Insurances displayed no set trend following a reasonable business. Sun Alliance rose 5 to a 1975 high of 460p.

Narrow mixed price movements were the order of the day in Breweries. Arthur Guinness edged forward a penny at 135p, but Scottish and Newcastle eased that much to 60p.

Buildings closed narrowly irregular. Redland moved up 3 to a 1975 peak of 98p on the better-than-expected interim figures. D Crouch improved 3 to 30p, while Travis and Arnold, 103p, and Burnett and Hallamshire, 64p, put on 4 apiece. Ibstock Johnsen, at 104p, held the previous day's rise of 9½ which followed the dividend forecast and "rights" issue proposals. R. Costain, however, receded 4 to 220p, while easier Timbers had Magnet Joinery 4 lower at 196p and James Latham, 5 cheaper at 140p.

ICI fluctuated narrowly before ending a penny better on balance at 313p. Allied Packaging remained a dull market, losing 3 more at 63p on further consideration of the interim figures, but fresh support took Stewart Plastics up 4 to 73p.

EMI improve

Press comment helped EMI improve 5 to 221p, but there remained a fall of 9 on the week on fears of competition in the X-ray scanner field. The better-than-expected third-quarter results continued to fortify Philips' Lamp, which rose another 25 to 820p for a two-day gain of 50. After falling 7 on Thursday on the company's withdrawal from the Anglesey Aluminium project at a cost of £5¼m., BICC eased afresh to 121p before ending unchanged no the day at 123p. Elsewhere, Chloride hardened 2 to 106p on the half-time report.

Awaiting Monday's third-quarter figures, House of Fraser eased 2 to 79p. Elsewhere in Stores, British Home Stores declined 6 to 378p, and "Gussies" "A" finished 2 cheaper at 190p. Thomas Marshall Investments shaded a penny to 82p in front of Monday's interim report. A. Goldberg receded 4 to 50p, while Newsagencies had W. H. Smith "A" 8 easier at 408p. Against the trend, Wallis and Co. (Costumiers) moved up 2 to 50p with the help of an investment recommendation.

Investment recommendations produced many of the features in Engineerings including Turriff, up 10 at 72p, and Glynwed, which rose 3 to 99p. Johnson and Firth Brown, 55p, and Fairey, 79p, two other stocks to be mentioned, were only a penny or so better. Still influenced by the marked first-half recovery, Head Wrightson gained 1½ more to 38½p, but Birmid Qualcast remained at 61½p, despite the joint venture with Messina for development of a new South African automotive foundry. New-time demand took Hall-Thermotank from an early lower level of 80p to 84p for a net improvement of 1. Robb-Caledon stood out in Shipbuildings, gaining 4 to 37p, after 38p, as the enigma surrounding nationalisation terms revived.

Foods spent a quiet session. J. Sainsbury, still reflecting trading news, gave up 2 more at 138p, making a loss on the week of 28. Associated British Foods ended a fraction cheaper at 66p ahead of Monday's interim statement, while Cavenham, 134p, and Fitch Lovell, 59p, shed 2 apiece. Associated Dairies moved up 3 to 200p with the help of investment comment. J. Lyons "A," a firm market of late, reacted 5 to 155p. Brent Walker gave up a penny at 44p on the first-half profits setback, but Warner Holidays "A" edged up a penny to 17½p on the higher first-half profits and proposed scrip issue.

Metal Box lower

Miscellaneous Industrial leaders closed a little easier on fresh profit-taking. Metal Box receded 5 more to 259p for a two-day loss of 11 ahead of Monday's half-time results. Boots shed another 3 to 135p, still on the half-year figures. Elsewhere, favourable investment comment prompted gains of 3 and 4 respectively in Braby Leslie, 56p, and Restobell, 180p. Priest Marians, 70p, recouped 5 of the previous day's fall of 10 which followed the sharply lower dividend and profits. The company's cautionary remarks on second-half profits continued to unsettle Chubb, which ended 3 cheaper at 106p for a two-day fall of 10.

Lucas Industries featured Motors and Distributors, gaining 7 more to 172p for a rise on the week of 24. Dunlop hardened 2 to 70p, while Houchin, 43p, and Kwik-Fit, 29p, put on 3 apiece. Fodens continued firmly in Commercial Vehicles, 2 up at a 1975 peak of 23p. Garages were quiet and little changed.

Newspapers eased a shade further with the notable exception of Beaverbrook "A" which, on hopes that the production dispute would be settled soon, regained an early loss of 1½ to close unchanged on balance at 39p. Paper/Printings also reacted, DRG losing 3 to 112p and McCorquodale another 5 to 230p. John Waddington cheapened 4 to 124p and J. and J. Makin, on the profits warning, slipped 1½ to 36p.

Fresh adverse Press comment on the property sector rekindled fears that several companies could be in dire financial straits; panic selling took its toll of the leaders, but prices partially recovered on "after-hours" support. Amalgamated Investment and Property were under the heaviest pressure and, after having already lost 2½ on Thursday, collapsed to 9½p before picking up to 12½p for a fresh fall of 3¼ on the day; the Warrants ended 2½ down at 3½p. British Land finished 1½ cheaper at 16½p, after 15½p, and Land Securities 3 off at 167p, after 166p. English Property, after touching 37½p, rallied to 40p for a net loss of only a penny. Elsewhere, the half-year results left Hammerson "A" 8 down at 317p.

A drifting tendency was reversed in Oils and Shell ended unaltered at 378p, after 374p, while British Petroleum were also unchanged at 583p, after 580p. A little more interest was shown in Burmah, the turn harder at 32p, but Ultramar eased 2 to 210p, despite the satisfactory nine-months' figures. Australian issues followed domestic market influences; Woodside-Burmah fell 6 to 93p, but Southern Pacific Petroleums rose 5 to 23p. Among Canadians, Ranger came back 50 more to 860p.

Overseas Traders displayed scattered gains at the close. Sime Darby, with the aid of Press comment, improved 6 to 102p, while Paterson Zochonis "A" put on 10 to 460p and Harrisons and Crosfield 25 to 875p. After Thursday's rally of 6, Lonrho came back to 109p prior to improving further to 115p for a gain of 3 on the day. Down 12 the previous day, Inchcape reacted afresh to 340p, but later rebounded to 350p for a net improvement of 2.

End-Account profit-taking left Reardon Smith 10 off at 375p and the "A" 5 down at 118p in Shippings. Still drawing strength from Tuesday's good results, Common Bros. edged forward 2 more to 86p, making a gain on the week of 24.

Down 7 on Thursday following the 73 per cent. contraction in first-half profits and the Board's bearish remarks about second-half prospects, Courtaulds declined further to touch 143p before closing a penny down on the day at 144p.

In Tobaccos, Imps edged forward a shade more to a 1975 high of 78p.

Still awaiting the outcome of the reorganisation discussions between James Finlay (unaltered at 138p) and McLeod Russel (5 easier at 140p), Consolidated Tea and Lands encountered fresh end-Account profit-taking and lost 10 to 360p, for a two-day fall of 40. More interest was shown in Rubbers, but prices were little changed at the close.

Gold slide continues

South African Gold shares ended a dull week showing sizeable losses in the wake of a lower bullion price and reflecting the weakness in transatlantic share markets.

Cape selling throughout the day was reported and although small Continental buying tried to rally Golds, at one time, the fall in the afternoon metal fixing price was followed by substantial U.S. selling of shares.

The Gold Mines index gave up 8.8 to 231.7, a week's fall of 19.3, and its lowest since October 10. Bullion was finally down $1.75 at $142 per ounce and $2.75 lower over the longer period.

Financials were generally easier reflecting the trend in Golds and U.K. Industrials. Anglo American fell 6 to 384p and "Amgold" lost 1¼ to £30½. Gold Fields gave up an earlier rise to close unchanged at 216p; the company holds its meeting next Tuesday.

In Coppers, Minorco rose 12 to 206p on Cape interest following Press comment in South Africa. Platinums were slightly easier.

Australians were mixed. Pancontinental rose 20 to 725p. Bougainville lost 2 to 82p; its workers have been reportedly awarded a substantial rise in wages.

Tins were easier changed with the exception of Petaling which hardened to a year's peak of 107p on buying.

Elsewhere, Consolidated Murchison rose 10 to a year's high of 810p on continued Cape buying on further considerations of current antimony exploration activities; the shares are up on the week.

FINANCIAL TIMES STOCK INDICES

	Nov. 14	Nov. 13	Nov. 12	Nov. 11	Nov. 10	Nov. 7
Government Secs.	58.57	58.60	58.63	58.52	58.51	58.25
Fixed Interest	59.05	59.20	59.25	59.16	59.12	59.00
Industrial Ordinary	365.6	366.4	371.8	370.2	367.4	369.5
Gold Mines	231.7	240.5	263.6	265.2	265.3	271.0
Ord. Div. Yld.	5.79	5.78	5.70	5.73	5.78	5.76
Earnings Yld. % (full)	16.08	16.32	16.09	15.82	15.86	15.90
P/E Ratio (net)	9.05	8.81	8.93	9.00	8.92	8.95
Dealings marked	7,757	8,241	8,627	8,698	7,837	8,372
Equity turnover £m.	—	115.31	81.51	75.10	67.62	94.29
Equity bargains total	—	16,198	19,875	19,799	19,512	20,069

10 a.m. 364.6. 11 a.m. 364.0. Noon 363.5. 1 p.m. 362.6. 2 p.m. 364.7. 3 p.m. 364.6. Latest Index 01-246 8026.

(a) Based on 52 per cent. corporation tax. (b) Nil=8.86. Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Gold Mines 12/9/55. SE Activity July-Dec. 1942.

HIGHS AND LOWS

—	1975 High	1975 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	62.54 (30/5)	49.18 (6/1)	127.4 (9/1/35)	49.18 (6/1/75)
Fixed Int.	62.41 (21/5)	50.53 (6/1)	150.4 (28/11/47)	50.53 (6/1/75)
Ind. Ord.	371.8 (12/11)	146.0 (6/1)	543.6 (19/5/72)	49.4 (26/6/40)
Gold Mines	442.3 [illegible]	231.6 (6/10)	442.3 (22/5/75)	43.5 (26/10/71)

S.E. ACTIVITY

—	Nov. 14
Daily—	
Gilt-Edged	177.9
Industrials	232.6
Speculative	51.1
Totals	176.5
5-day Average—	
Gilt-Edged	163.5
Industrials	174.9
Speculative	54.6
Totals	187.4

BASE LENDING RATES

AFI International
Allied Irish Banks Ltd.
Anglo-Portuguese Bank
Henry Ansbacher
Banco de Bilbao
Banco de Jerez
Bank of Cyprus
Bank of N.S.W.
Banque du Rhone S.A.
Barclays Bank
Barnett, Christie Ltd.
Bremar Holdings Ltd.
Brit. Bank of Mid. East
■ Brown Shipley
Cayzer, Bowater Co. Ltd.
Cedar Holdings
■ Charterhouse Japhet
C. E. Coates
Consolidated Credits
Co-operative Bank
Copleys Bank
Corinthian Securities
Credit Lyonnais
G. R. Dawes
Duhoff Brothers
Duncan Lawrie
English Transcont.
First London Secs.
■ Antony Gibbs
Goode Durrant Trust
Greyhound Guaranty
Grindlays Bank
■ Guinness Mahon
■ Hambros Bank
Hawtin & Partners
■ Hill Samuel
C. Hoare & Co.
Julian S. Hodge
Industrial Bank of Scot.
Keyser Ullmann
Knowsley & Co. Ltd.
Lloyds Bank
London & European
London Mercantile
Midland Bank
■ Samuel Montagu
■ Morgan Grenfell
National Westminster
Northern Comm. Trust
Norwich General Trust
Portman Guaranty
P. S. Refson & Co.
Rossminster Accepts
Royal Trust of Canada
Schlesinger Limited
E. S. Schwab
Security Trust Co. Ltd.
Shenley Trust
Standard Chartered
Sterling Credit
Thames Guaranty
Trade Development Bk.
Twentieth Century Bk.
United Bank of Kuwait
Whiteaway Laidlaw
Williams and Glyn's
Yorkshire Bank

■ Members of the Accepting Houses Committee.
* 7-day deposits 7%, 1-month 7¼%.
† 7-day deposits on sums of £10,000 and under 7%, up to £25,000 over £25,000 8%.
§ Demand deposit 8%.

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS — GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section.) Friday, Nov. 14, 1975: Index No.; Day's Change %; Est. Earnings Yield % (Max. Corp. Tax 52%); Gross Div. Yield % (ACT at 35%); Est. P/E Ratio (net) (Corp. Tax 52%); Est. P/E Ratio (nil) (Corp. Tax 52%).

	Group	Index No.	Day's Change %	Est. Earnings Yield %	Gross Div. Yield %	Est. P/E (net)	Est. P/E (nil)	Thurs. Nov. 13 Index No.	Wed. Nov. 12 Index No.	Tuesday Nov. 11 Index No.	Mon. Nov. 10 Index No.	Year ago (approx.) Index No.	1975 High	1975 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (179)	137.57	−0.3	16.70	6.02	8.97	8.97	138.04	139.56	138.32	138.58	64.01	139.55 (12/11)	51.78 (6/1)	206.37 (4/5/72)	50.71 (13/12/74)
2	Building Materials (30)	131.65	−0.3	13.56	6.25	11.27	11.26	131.99	133.77	132.78	132.91	57.80	133.77 (12/11)	45.11 (6/1)	233.84 (2/5/72)	44.27 (11/12/74)
3	Contracting, Construction (23)	252.86	−0.6	14.76	5.78	10.19	10.19	254.37	257.42	253.73	253.67	84.80	257.42 (12/11)	74.74 (6/1)	389.35 (19/5/72)	71.48 (12/12/74)
4	Electricals (17)	240.13	−0.2	17.00	4.64	8.62	8.62	240.62	245.76	244.21	245.31	114.76	245.78 (12/11)	98.49 (2/1)	350.04 (4/5/72)	84.71 (25/6/66)
5	Engineering (Heavy) (13)	158.59	+0.6	20.58	7.48	7.41	7.41	157.60	158.75	157.87	158.91	83.10	159.79 (22/4)	64.39 (2/1)	202.57 (2/6/73)	64.39 (2/1/75)
6	Engineering (General) (63)	119.47	−0.5	18.32	7.01	8.16	8.16	120.07	120.59	119.54	119.00	58.22	120.59 (12/11)	45.43 (6/1)	168.59 (4/5/72)	45.43 (6/1/75)
7	Machine and Other Tools (9)	47.48	−0.1	17.36	8.85	10.40	10.40	47.50	47.36	46.22	46.08	24.75	48.98 (30/5)	20.11 (2/1)	136.70 (4/7/66)	19.96 (13/12/74)
8	Miscellaneous (24)	117.64	−0.5	18.16	6.72	8.21	8.21	118.18	118.48	117.01	117.63	64.34	121.76 (6/6)	49.65 (6/1)	177.41 (27/4/72)	49.65 (6/1/75)
9	CONSUMER GOODS (DURABLE) (56)	112.58	—	16.43	5.50	9.17	9.16	112.62	115.36	114.77	115.33	47.52	115.36 (12/11)	38.39 (6/1)	227.78 (21/4/72)	38.39 (6/1/75)
10	Electronics, Radio TV etc. (15)	126.18	−0.3	15.10	4.27	9.90	9.89	125.57	129.73	129.70	131.94	50.51	131.94 (10/11)	44.28 (6/1)	257.41 (19/5/72)	42.85 (12/12/74)
11	Household Goods (14)	164.63	−0.5	14.53	6.36	10.08	10.05	165.42	165.27	165.02	165.63	74.51	165.63 (10/11)	64.63 (6/1)	263.22 (4/5/72)	63.92 (17/12/74)
12	Motors and Distributors (27)	66.15	+0.6	19.36	7.08	7.93	7.93	65.75	67.14	66.17	65.19	28.33	67.14 (12/11)	19.91 (6/1)	170.59 (15/1/69)	19.91 (6/1/75)
13	CONSUMER GOODS (NON-DURABLE) (168)	147.86	−0.3	13.71	5.81	10.58	10.51	148.26	151.51	150.49	150.80	70.59	151.51 (12/11)	61.98 (6/1)	226.08 (16/8/72)	61.41 (13/12/74)
14	Breweries (15)	167.52	−0.7	12.22	6.15	12.39	12.39	168.54	172.53	169.99	170.58	80.33	172.53 (12/11)	75.58 (6/1)	281.87 (28/11/72)	69.47 (13/12/74)
15	Wines and Spirits (7)	152.64	−0.8	12.51	6.61	12.13	12.15	153.79	157.33	155.64	154.05	102.85	177.94 (9/7)	80.42 (6/1)	257.40 (15/7/72)	78.81 (13/12/74)
16	Entertainment, Catering (16)	177.36	+0.3	11.77	6.76	13.31	12.66	176.79	178.96	178.36	179.37	65.66	180.19 (7/11)	55.28 (6/1)	329.99 (12/12/72)	54.87 (19/7/74)
17	Food Manufacturing (22)	161.06	−0.6	13.27	5.01	10.39	10.35	162.03	165.79	164.44	163.68	63.84	165.79 (12/11)	62.03 (2/1)	211.65 (1/6/72)	59.78 (11/12/74)
18	Food Retailing (16)	148.11	−0.2	10.26	4.49	14.13	14.13	148.46	154.51	154.63	155.88	64.63	155.88 (10/11)	57.15 (2/1)	250.08 (16/8/72)	54.25 (11/12/74)
19	Newspapers, Publishing (15)	156.00	−0.9	13.74	6.48	11.12	11.12	157.39	160.12	158.30	157.98	73.55	160.12 (12/11)	56.08 (6/1)	250.29 (16/1/72)	55.08 (6/1/75)
20	Packaging and Paper (13)	96.59	−1.7	23.04	7.64	6.46	6.47	98.24	100.22	99.96	100.48	56.26	107.12 (20/5)	43.46 (6/1)	135.69 (26/4/72)	43.46 (6/1/75)
21	Stores (32)	126.39	+0.1	11.76	5.34	15.02	15.02	126.21	129.29	128.96	130.11	62.54	132.94 (24/10)	52.63 (6/1)	204.39 (16/2/72)	52.63 (6/1/75)
22	Textiles (23)	157.70	−0.9	21.22	6.79	5.66	5.51	159.14	162.58	160.81	160.65	69.42	162.58 (12/11)	62.91 (6/1)	255.72 (17/8/66)	62.66 (11/12/74)
23	Tobacco (3)	208.50	+0.5	16.25	6.46	9.36	9.36	207.48	209.57	207.66	207.25	120.93	209.57 (12/11)	109.92 (6/1)	339.16 (2/8/72)	94.34 (13/6/62)
24	Toys and Games (6)	61.33	−2.5	22.25	6.48	6.25	6.25	62.93	63.72	63.64	62.95	27.69	63.72 (12/11)	20.92 (6/1)	135.72 (16/1/70)	20.92 (6/1/75)
	OTHER GROUPS (95)															
25	Chemicals (24)	187.44	−0.3	14.85	5.13	9.44	9.43	187.95	190.99	187.53	185.83	84.42	190.99 (12/11)	73.14 (6/1)	201.92 (31/1/69)	71.20 (11/12/74)
26	Office Equipment (10)	90.34	+0.3	14.76	5.77	9.50	9.50	90.06	91.35	89.55	90.87	58.97	104.76 (17/4)	45.34 (2/1)	246.06 (1/9/72)	45.34 (2/1/75)
27	Shipping (12)	388.07	−0.5	19.90	6.23	6.45	6.20	390.22	393.56	390.03	389.66	242.98	401.84 (10/5)	194.38 (6/1)	517.00 (5/12/72)	90.80 (29/6/62)
28	Miscellaneous (47)	151.82	−0.4	16.25	6.76	9.10	9.10	152.50	154.55	154.29	155.12	73.80	155.84 (7/11)	60.39 (6/1)	258.85 (2/5/72)	60.39 (6/1/75)
29	INDUSTRIAL GROUP (496)	146.58	−0.3	15.05	5.83	9.67	9.62	146.99	149.59	148.30	148.42	69.83	149.59 (12/11)	59.19 (6/1)	220.17 (15/5/72)	59.01 (13/12/74)
30	OILS (4)	331.18	—	15.20	4.86	7.35	6.58	331.19	332.68	335.23	333.53	127.89	335.83 (5/11)	105.83 (2/1)	451.66 (22/5/69)	87.23 (29/5/62)
31	500 SHARE INDEX	161.92	−0.2	15.07	5.68	9.21	8.97	162.30	164.83	163.83	163.81	74.79	164.83 (12/11)	63.49 (6/1)	227.95 (16/8/72)	63.49 (13/12/74)
32	FINANCIAL GROUP (100)	136.19	−0.9	—	5.25	—	—	137.38	138.85	138.00	138.58	61.29	148.45 (3/3)	56.50 (6/1)	241.41 (11/4/72)	55.88 (13/12/74)
33	Banks (6)	166.46	−0.2	17.67	4.81	8.67	8.67	166.85	169.43	168.74	168.48	67.14	177.11 (5/6)	62.56 (2/1)	288.52 (30/7/72)	62.44 (12/12/74)
34	Discount Houses (9)	165.82	+0.3	—	7.43	—	—	165.39	164.99	160.51	158.91	93.08	169.27 (7/5)	84.13 (6/1)	293.18 (2/7/72)	81.40 (10/12/74)
35	Hire Purchase (5)	94.57	−3.3	—	6.70	—	—	97.80	97.68	98.84	98.97	68.22	134.39 (10/3)	42.81 (6/1)	433.72 (4/5/72)	38.83 (11/12/74)
36	Insurance (Life) (9)	123.04	−0.8	—	5.56	—	—	124.03	126.19	123.66	125.25	49.90	127.97 (23/4)	44.88 (2/1)	194.46 (15/3/72)	44.88 (2/1/75)
37	Insurance (Composite) (7)	112.24	−0.9	—	6.10	—	—	113.27	113.97	113.03	113.49	47.15	123.90 (20/6)	44.47 (2/1)	155.76 (21/4/72)	43.96 (13/12/74)
38	Insurance (Brokers) (9)	225.03	−0.5	9.28	3.89	16.16	16.16	226.13	227.58	227.15	227.54	84.72	228.74 (28/10)	68.96 (7/1)	262.57 (12/12/73)	65.86 (16/12/74)
39	Merchant Banks (19)	86.49	−0.5	—	5.91	—	—	86.90	87.66	87.63	87.22	43.52	94.97 (7/3)	31.21 (7/1)	278.57 (1/5/72)	31.21 (7/1/75)
40	Property (32)	151.93	−2.2	3.76	3.88	43.83	41.67	155.29	156.70	156.80	157.66	90.33	241.22 (22/4)	88.19 (7/1)	357.40 (9/11/73)	56.01 (20/4/65)
41	Miscellaneous (4)	75.80	−1.1	13.22	6.37	12.09	11.94	76.62	77.65	77.46	77.46	40.89	78.12 (6/11)	34.78 (10/1)	303.13 (18/5/72)	33.29 (17/12/74)
42	Investment Trusts (50)	171.86	—	2.87	4.16	34.84	34.82	171.83	171.38	170.19	170.25	85.00	178.53 (6/6)	73.43 (6/1)	245.79 (25/4/72)	71.63 (13/12/74)
43	ALL-SHARE INDEX (650)	155.99	−0.3	—	5.51	—	—	156.52	158.65	157.74	157.41	72.03	158.65 (12/11)	62.16 (6/1)	228.18 (1/5/72)	61.92 (13/12/74)
	COMMODITY GROUPS (Not included in 500 or All-Share indices)															
44	Rubbers (9)	398.22	−0.5	14.28	6.42	10.14	10.06	399.59	398.96	396.14	395.14	307.30	525.43 (2/5)	281.66 (2/1)	566.37 (25/7/75)	84.68 (25/8/65)
45	Teas (10)	120.15	−0.3	34.12	8.69	4.22	4.07	120.53	124.31	124.57	122.85	75.21	124.57 (11/11)	76.76 (10/1)	124.57 (11/11/75)	59.72 (17/10/74)
46	Coppers (3)	284.18	−0.5	69.10	17.24	1.45	1.45	285.58	286.09	286.09	283.45	354.48	467.74 (27/5)	256.42 (24/9)	567.78 (15/7/73)	94.08 (29/4/62)
47	Mining Finance (11)	113.63	−0.1	10.55	4.48	10.71	10.71	113.76	114.08	114.59	112.08	99.83	141.34 (30/5)	80.58 (22/1)	178.90 (28/4/69)	66.51 (30/9/74)
48	Tins (8)	91.66	−0.4	12.03	9.75	10.86	9.72	92.26	92.93	93.25	93.63	60.63	114.49 (5/6)	58.91 (8/1)	125.48 (12/1/73)	54.83 (27/5/71)
49	Overseas Traders (13)	220.36	−0.9	15.30	4.56	8.36	8.36	218.35	214.89	217.81	218.35	—	252.23 (20/5)	97.37 (6/1)	252.23 (20/5/75)	97.37 (6/1/75)

	FIXED INTEREST	Friday, Nov. 14 Index No.	Yield %	Thurs. Nov. 13	Wed. Nov. 12	Tuesday Nov. 11	Mon. Nov. 10	Friday Nov. 7	Thurs. Nov. 6	Wed. Nov. 5	Year ago (approx.)	1975 High	1975 Low	Since Compilation High	Since Compilation Low
1	Consols 2½% yield	—	14.72	14.72	14.71	14.81	14.81	14.90	14.81	14.89	16.98	—	—	—	—
2	20 yr. Govt. Stocks (6)	46.75	15.87	46.81	46.83	46.75	46.77	46.54	46.59	46.40	40.90	53.09 (20/5)	38.27 (3/1)	115.42 (11/8/65)	38.27 (3/1/75)
3	20-yr. Red. Deb. & Loans (15)	46.22	15.92	45.85	45.81	45.74	45.74	45.73	45.87	45.86	38.11	50.68 (21/5)	37.01 (3/1)	114.43 (25/10/63)	37.01 (3/1/75)
4	Investment Trusts Prefs. (15)	47.20	14.66	47.16	47.21	47.21	47.28	47.26	47.28	47.15	35.32	47.30 (29/1)	35.35 (3/1)	114.41 (15/9/65)	34.45 (4/12/74)
5	Coml. and Indl. Prefs. (20)	64.36	14.69	64.36	64.45	63.91	64.17	63.88	63.85	63.81	50.34	66.02 (5/2)	48.35 (3/1)	114.95 (7/10/63)	47.67 (6/1/75)

Section or Group	Base Date	Base Value	Section or Group	Base Date	Base Value
Overseas Traders	31/12/74	100.00	Miscellaneous Financial	31/12/70	128.06
Engineering (Heavy)	31/12/71	153.84	Food Manufacturing	29/12/67	114.13
Engineering (General)	31/12/71	153.84	Food Retailing	29/12/67	114.13
Wines and Spirits	16/1/70	144.76	Insurance Brokers	29/12/67	96.67
Toys and Games	16/1/70	135.72	Mining Finance	29/12/67	100.00
Office Equipment	16/1/70	162.74	All Other	10/4/62	100.00
Industrial Group	31/12/70	128.20			

‡ Redemption yield. FT-Actuaries Indices are calculated by Extel Communications Limited (a member of the Exchange Telegraph Group) on an IBM 370 computer.

A list of the constituents of the FT-Actuaries Share Indices is now available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p. By inland post 16p. Commonwealth 18p. Foreign 22p.

MONEY + EXCHANGES

Minimum Lending Rate 11¾%

Bank of England Minimum Lending Rate 11¾ per cent. (since November 14, 1975)

The Treasury bill rate fell by 0.2012 per cent. at yesterday's tender to 11.0884 per cent., and the Bank of England Minimum Lending Rate was reduced by ¼ per cent. to 11¾ per cent. The minimum accepted bid was £97.23, compared with £97.18 previously, and bids at that level were met as to 64 per cent. The £450m. bills tendered and allotted attracted bids of £1,013m. All bills offered were allotted, while next week £400m. will replace £350m.

Day-to-day credit was in short supply and the authorities gave a moderate amount of assistance by buying Treasury bills from the Discount houses. Banks carried over run down balances, there was a net market take-up of Treasury bills, and an increase in the note circulation was also against the market's favour. On the other hand Government disbursements exceeded revenue payments to the Exchequer.

Discount houses paid 11½-11¾ per cent. for secured call loans at the start and closing rates were around 10¾-11¼ per cent.

Rates in the table below are nominal in some cases.

Nov. 14 1975	Sterling Certificates of deposits	Interbank	Local Authority deposit†	Local Auth. negotiable bonds	Finance House deposit	Company deposits	Discount market deposits	Treasury bills ф	Bank bills ф	Fine trade bills ф
Overnight	—	11⅝-11¾	—	—	—	11⅞-13½	10¾-11¾	—	—	—
2 days notice	—	—	11½-11¾	—	—	—	—	—	—	—
7 days or 7 days notice	—	11⅝-11⅞	11⅛-11¾	—	—	—	11¼-11¾	—	—	—
One month	11⅜-11¼	11⅞-11⅞	11⅞	11¾-11⅞	11¼-12⅜	—	11⅛	11⅞-11⅛	11⅞-11⅛	12-11½
Two months	11⅜-11¼	11¼-11⅞	—	11¾-11¼	11¼-11½	—	11	11⅛-11⅛	11⅛	12-11½
Three months	11⅜-11¼	11¼-11⅞	11⅜-11½	11¾-11¼	11⅛-12½	—	10⅞-11	11⅛-11⅛	11⅛	12⅛-11⅝
Six months	11⅜-11⅞	11¼-11⅞	11½-11⅝	11¾-11¼	11½-12½	—	—	—	11¼-11⅛	12⅛-12
Nine months	11⅞-11¼	11⅞-11⅞	—	11⅝-11⅝	11½-13	—	—	—	—	—
One year	11½-11⅜	11⅜-11½	12½-12¼	11¾-11½	11½-13	—	—	—	—	—
Two years	—	11⅞-12	12¾-12⅞	12-11½	—	—	—	—	—	—

† Local authority and finance houses seven days' notice, others seven days' fixed. * Long-term local authority mortgage rate nominally three years 13¾-13⅞ per cent.; four years 13¾-14 per cent.; five years 14-14¼ per cent. ф Bank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills 11¼-11⅛ per cent.; and four-month trade bills 12¼-11⅞ per cent. Approximate selling rates for one-month Treasury bills 11⅛-10⅞ per cent.; two-month 11⅛-11 per cent.; three-month 11⅛ per cent. Approximate selling rates for one-month Bank bills 11⅛-11⅛ per cent.; two-month 11⅛-11⅛ per cent.; and three-month 11⅛-11 per cent.; for one-month trade bills 11⅞-11⅞ per cent.; two-month 11⅞ per cent.; and three-month 11⅞-11⅞ per cent.

Finance House Base Rate (published by the Finance Houses Association) 11½ per cent. from November 1. Clearing Bank Deposit Rates for small sums at seven days' notice 7 per cent. Clearing Bank Rate for lending 11 per cent. Treasury Bills: Average tender rates of discount 11.0884 per cent.

EXCHANGES AND BULLION

Sterling fell to its lowest ever closing level against major currencies in general, with the Bank of England calculation for the pound's trade-weighted depreciations since the Washington Currency agreement widening to 29.7 per cent. from 29.5 per cent. on Thursday. The rate stood at 29.7 per cent. at noon and 29.6 per cent. in early dealings. The fall in Bank of England Minimum Lending rate had a depressing effect on the pound, which also suffered from the renewed strength of the U.S. dollar.

The pound began the day at $2.0485-2.0495 and after falling to $2.0445-2.0455 touched a high point of $2.0495-2.0505, before closing at $2.0460-2.0470, a loss of 75 points on the day.

The dollar improved in the foreign exchange market on hopes of a short-term solution to New York's financial crisis. Its trade-weighted depreciation since the Washington Agreement, as calculated by Morgan Guaranty of New York on noon rates, narrowed to 2.34 per cent. from 2.72 per cent.

Gold lost $1¾ to $141¼-142¼. The krugerrand closed at $146¼-148¼ (£71½-72½) in the domestic and international markets. The coins premium over its gold content widened to 3.87 per cent., from 2.61 per cent. for domestic delivery and 3.30 per cent. in international dealings.

EXCHANGE CROSS-RATES

Nov. 14	Frankfurt	New York	Paris	Brussels	London	A'sterdam	Zurich
Frankf't	—	2.584-585	58.70-80	6.63-64	5.228-232	97.50-60	97.46-55
N. York	38.63-66	—	22.68-71	2.562-566	2.0455-465	37.56-59	37.58-59
Paris	170.05-45	4.40-4.4132	—	11.27-30	9.02-02	165.32-51	166.0-40
Brussels	15.04-05	38.96-39	8.55-86	—	79.64-80	14.67-71	14.66-71
London	5.30-31	2.0460-70	9.02-01	79.8-8.0	—	5.43¼-44¼	5.43¼-44¼
Am'erdam	102.56-60	2.657-62	60.206-256	6.2016-65	5.42½-43½	—	99.9¼-95
Zurich	102.48-69	2.652-655	60.2-29	6.20¼-81½	5.4310-96	99.96-09	—

U.S. $ in Montreal, U.S. $=101.46-56 Canadian cents. Canadian $ in New York, U.S. cents. U.S. $ in Milan 675.50. Sterling in Milan [illegible].

EURO-CURRENCY INTEREST RATES*

Nov. 14 1975	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	W. German mark	Swiss franc
†Short term	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
7 days notice	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Month	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Three months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Six months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
One year	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Euro-French deposit rate short-term 6¼-6⅞ per cent.; seven days' notice 6¼-6⅞ per cent.; one month 6⅝-7 per cent.; three months 7-7⅜ per cent.; six months 7⅝-8 per cent.; one year 8⅛-8¾ per cent.

Long-term Eurodollar deposits: two years 8⅞-9¼ per cent.; three years 9-9⅜ per cent.; four years 9⅛-9⅝ per cent.; five years 9⅛-9⅝ per cent.

The following nominal rates were quoted for London dollar certificates of deposit: one month 11¼-11⅛ per cent.; three months 11¼-11¾ per cent.; six months 11⅝-11¾ per cent.; one year [illegible] per cent.

* Rates are nominal closing rates.

† Short-term rates are call for sterling, U.S. dollars and Canadian dollars, and two-days' notice for guilders and Swiss francs.

FOREIGN EXCHANGES

Nov. 14 1975	Bank Rates %	Day's Spread	Close
New York	6	2.0435-2.0515	2.0460-2.0470
Montreal	8¼	2.0750-2.0795	2.0775-2.0785
Amst'rdam	4½	5.42-5.45	5.43½-5.44½
Brussels	6	[illegible]	[illegible]
Copenh'gn	[illegible]	[illegible]	[illegible]
Frankfurt	[illegible]	[illegible]	[illegible]
Lisbon	[illegible]	[illegible]	[illegible]
Madrid	[illegible]	[illegible]	[illegible]
Milan	[illegible]	[illegible]	[illegible]
Oslo	[illegible]	[illegible]	[illegible]
Paris	[illegible]	[illegible]	[illegible]
Stockholm	[illegible]	[illegible]	[illegible]
Tokyo	[illegible]	[illegible]	[illegible]
Vienna	[illegible]	[illegible]	[illegible]
Zurich	[illegible]	[illegible]	[illegible]

† Basic discount. Rates given are for convertible francs. Financial franc 81.90-82.10.

OTHER MARKETS

[illegible]

FORWARD RATES

[illegible]

CORAL INDEX Close 363-367

I.G. INDEX GOLD 140½-141½

INSURANCE BASE RATES

† Atlantic Assurance [illegible]
Cannon Assurance [illegible]
† Address shown under Insurance and Property Bond table.

GOLD MARKET

[illegible]

SPECIAL DRAWING RIGHT RATES

[illegible]

AUTHORISED UNIT TRUSTS

REGIONAL MARKETS

owing the merger last year of U.K. stock exchanges, a selection of the share reviously shown under regional headings is presented below with quotations ion. Irish issues, most of which are not officially listed in London, are eparately and with prices as on the Irish exchange.

nv. 20p	16	......	Craig Ship. £1	350	......	Shiloh Spins	23	......
nning	33	......	Hallam Sleigh 10p	6	......	Sindall (Wm.)	50	......
	18	......	Higsons Brew	92	+2			
Est. 50p	130	......	I.O.M. Stm. £1	110	......	IRISH		
roft	35	......	Holt (Jos.) 25p	255	......			
ose £1	315	......	Kleen-e-Ze	17	......	Alliance Gas (£1)	78	−8
.A.)	30	......	Lovell's Ship £1	95	......	Carroll (P. J.)	128	+3
leHdy	76	+16	N'thn. Goldsmith	90	......	Clondalkin	55	......
rk 10p	34	......	P.M.A.	34	......	Concrete Prods.	80	......
	7	+1	Pearce (C. H.)	62	+2	Goodbody (£1)	24	−1
ge	43	......	Peel Mills	13	......	Helton (Hldgs.)	28	......
kg. 5p	16	......	Richards 10p	12	+1	Irish Distillers	72	+1
ed 50p	115	......	RobbCaledon5h	32	......	Irish Wire	48	......
& Sons	11	......	Sayers 12½p	78	......	Jacob	65	......
(L.)	63	......	Sheffield Brick	65	......	Sunbeam	11	......
			Sheff. Refrshmt.	141	......	Unidare	63	......

INSURANCE, PROPERTY, BONDS

OFFSHORE AND OVERSEAS FUNDS

NOTES

FT SHARE INFORMATION SERVICE

BRITISH FUNDS

[illegible]

INTERNATIONAL BANK

[illegible]

CORPORATION LOANS

[illegible]

COMMONWEALTH & AFRICAN LOANS

[illegible]

LOANS (Miscel.)

[illegible]

FOREIGN BONDS & RAILS

[illegible]

AMERICANS

[illegible]

S.E. List Premium 61¼% (based on $2.0457 per £)

CANADIANS

[illegible]

S.S. List Premium 61¼% (based on $2.0752 per £) Conversion factor 0.6065 (0.6062)

BANKS AND HIRE PURCHASE

[illegible]

Hire Purchase, etc.

[illegible]

BEERS, WINES AND SPIRITS

[illegible]

BUILDING INDUSTRY, TIMBER & ROADS

[illegible]

BUILDING INDUSTRY—Continued

1975 High	1975 Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
40	15	Manders (Hldgs.)	40	.....	†1.9	2.9	7.4	7.1
117	24	Marchwiel	114	−3	2.6	6.6	3.5	6.7
92	30	Marley	87	−1	2.86	2.6	5.1	9.4
74	27	Marshalls (Hfx.)	74	.....	4.26	2.5	8.9	6.9
95	23	May & Hassell	79	+2	2.29	6.9	4.5	4.3
34	13	Mears Bros.	24	.....	1.52	1.4	9.7	11.0
58	35	Melville D. & W.	48	.....	3.06	3.4	9.8	4.6
57½	18½	Meyer (Mont. L.)	56½	.....	1.91	3.9	5.2	7.6
60	11	Milbury	52	.....	1.92	3.2	5.9	8.0
18	9	Miller (Stan) 10p.	16	.....	d2.54	2.2	14.5	4.7
55	20	Mixconcrete	51	−1	2.21	0.4	6.7	61.1
38	13	Mod. Engineers	37	.....	†d2.57	2.3	10.7	6.3
53	12	Monk (A.)	45½	.....	3.93	0.6	14.1	14.1
89	32	Mowlem (J.)	81	.....	4.03	3.6	7.7	5.5
103	44	Newarthill £1	62	.....	4.0	1.9	9.9	8.0
10#	£	North'n Dev. 10p	10#	.....	‡1.35	—	‡	—
40	16	Norwest Holst	28	+1	0.87	—	4.8	—
90	45	Nott. Brick 50p	90	+4	6.2	1.8	10.6	8.2
46	12½	Orme Devs. 10p	42	−1	2.25	2.1	8.2	9.0
78	26	Parker Timber	76	−2	2.14	7.5	4.4	4.6
80	39	Phoenix Timber	64	.....	3.2	1.0	7.7	20.2
56	28	Pochins	56	.....	3.75	ϕ	11.0	ϕ
29	15	Rawlings Bros.	24	.....	‡1.62	0.8	‡	—
86	23	R.M.C.	85	.....	‡3.4	1.7	6.2	17.8
98	29½	Redland	98	+3	‡2.84	2.7	4.5	11.1
17	8	Reed & Mallik	13	.....	—	—	—	12.1
72½	25	R'ch'ds. Wall 10p	64	−1	3.72	2.8	8.9	6.1
77	49	Roberts Adlard	74	.....	3.26	2.9	6.8	7.9
49	25	Rohan 10p	28	.....	—	—	—	—
42½	12	Rowlinson 10p	42½	.....	1.84	3.5	6.7	6.6
27½	7	Royco Group	25xd	.....	2.0	1.7	12.0	8.5
31	11	Ruberoid	21	.....	‡1.88	1.2	‡	—

[illegible]

CHEMICALS, PLASTICS

[illegible]

CINEMAS, THEATRES AND TV

[illegible]

DRAPERY AND STORES

[illegible]

DRAPERY AND STORES—Continued

[illegible]

ELECTRICAL AND RADIO

[illegible]

ENGINEERING, MACHINE TOOLS

[illegible]

ENGINEERING—Cont.

[illegible]

FOOD, GROCERIES, ETC.

[illegible]

HOTELS & CATERERS

[illegible]

HOTELS—Continued

[illegible]

INDUSTRIALS (Miscel.)

[illegible]

INDUSTRIALS—Continued

INSURANCE

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING, ADVERTISING

PROPERTY

PROPERTY—Continued

SHIPBUILDERS, REPAIRERS

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

Investment Trusts

Trusts, Finance, Land, etc.

OILS

OVERSEAS TRADERS

RUBBERS AND SISALS

TEAS

India and Bangladesh

Sri Lanka

Africa

MINES

CENTRAL RAND

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
£14¼	1330	Durban Deep R1	230	−50	‡Q110c	♦	‡
£14	520	E. Rand Prp. R2	625	−30	‡Q15c	♦	‡
105	26	Rand Leases	25	−2	—	—	—
£35	£15¾	Randfn Est. R2	£17¼	−¼	—	—	—
500	150	West Rand R1	150	−5	‡Q40c	1.3	‡

EASTERN RAND

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
270	175	Bracken R1	190	−15	Q52c	♦	15.1
23	5	Daggafontein 50c	12	−1	—	—	—
105	37	East Dag R1	37	−3	‡Q25c	♦	‡
140¢	5	Grvlf Areas 5c	140¢	...	—	—	—
380	120	Grootvlei 30c	135	−8	‡Q32c	1.1	‡
820	410	Kinross R1	440	−10	Q54c	♦	8.5
190	68	Leslie 70c	68	−5	Q13c	♦	14.0
550	165	Marievale 70c	205	−5	‡Q84c	1.1	‡
725	230	S. African Ld. 35c	230	−20	‡Q85c	1.2	‡
265	82	Vlakfontein R1	109	−2	Q35c	1.3	18.0
£13½	720	Winkelhaak R1	790	−30	Q105	♦	7.6
120	36	Wit. Nigel 25c	46	−2	—	—	1.4

FAR WEST RAND

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
£11	620	Blyvoor 25	660	−10	Q100c	1.3	8.4
£21½	£12¾	Buffels R1	£14	−½	Q180c	1.4	7.1
430	228	Deelkraal R0.20	228	−6	—	—	—
£14¼	610	Doornfontein R1	745	−55	Q110c	1.4	7.9
£12¾	725	East Drie R1	910	−38	†55c	♦	4.0
450	200	Elsburg R1	210	−5	Q45c	—	12.0
£31	£15	Hartebeest R1	£17¼	−¼	Q215c	1.4	6.7
£13¼	730	Kloof Gold R1	740	−35	Q55c	1.4	4.1
£17¼	650	Libanon R1	665	−35	Q110c	1.9	9.2
£13¼	600	Southvaal 50c	750	−30	Q9c	0.9	0.6
480	210	Stilfontein 50c	230	−5	‡Q65c	1.3	‡

O.F.S.

FINANCE

DIAMOND AND PLATINUM

CENTRAL AFRICAN

AUSTRALIAN

TINS

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
93	42	Tronoh	64	......	†4.02	3.5	9.7

COPPER

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
112	52	Botswana RST P2	56	......	—	—	—
390	196	Messina R0.50	300	−5	Q35c	♦	6.6

MISCELLANEOUS

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Yld Gr's
8½	3	Burma Mine 17½p	8	......	m0.5	—	1.7
65	17	Chaterhall 5p	40	−1	—	—	—
115	40	Colby Mines $1	70	......	—	—	—
810	360	Cons. Murch. 10c	810	+10	‡Q130c	2.2	‡
53½	29½	Laurasia	42	+½	—	—	—
375	200	Northgate C$1	240	......	‡Q65c	1.0	‡
211	80	R.T.Z.	181	......	g5.51	4.4	4.8
135	47½	Sabina Inds. C$1	98	+1	—	—	—
81	45	Stanford Mines$	45	......	—	—	—
£12½	874	Tara Expln. $1	£10½	+⅛	—	—	—
78	38	Yukon Cons. C$1	70	......	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures; they are adjusted to ACT of 35 per cent. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields, assuming maintenance of net dividends on current rate of ACT, are based on middle prices, are gross and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- Δ Sterling denominated securities which include investment dollar premium.
- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents.
- ♦ Figures or report awaited.
- †† Banks and Insurance: reserve allocations may preclude calculation of dividend cover.
- ∮ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ** Free of Stamp Duty.
- ♦ Merger bid or reorganisation in progress.
- ♣ Not comparable.
- ♦ Same interim: reduced final and/or reduced earnings indicated.
- § Based on 1973 profits.
- ſ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ♣ Regional price.
- ‖ No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. q Earnings based on preliminary figures. r Australian currency. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment.
A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Issue price. G Assumed dividend and yield after pending scrip and/or rights issue. M Figures based on prospectus or other official estimates for 1974-75. Q Gross. T Figures assumed. U No significant Corporation Tax payable. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

"Recent Issues" and "Rights" Page 17

FINANCIAL TIMES

Saturday November 15 1975

MAN OF THE WEEK

He has divided a nation

BY KENNETH RANDALL

FEW AUSTRALIANS would be unaware by now that Sir John Robert Kerr, their first Governor-General to sack an elected government, is the son of a Balmain, Sydney, boilermaker.

It adds little to an understanding of why he acted this week in a way that pushed Australia into the most divisive and potentially violent election in its Federal history. But it has been emphasised above even the fact that he was Chief Justice of New South Wales before he was Governor-General.

He has been publicly accused of just about everything you can think of. One newspaper claimed that as early as last Saturday, Lady Kerr told at least two people that her husband would sack Mr. Gough Whitlam and his Labor Party Government on Tuesday. Practically all the mass media have felt it necessary to publish details of the charges that Mr. Malcolm Fraser had advance knowledge of Tuesday's events.

Silence

Sir John Kerr has not replied. He has declined invitations to discuss the affairs of the week with the Press or even to state his own case on radio and television. A written statement, quite clearly prepared in advance of Mr. Whitlam's dismissal, stands as his only explanation.

It has been reported and analysed at a length as unprecedented as the actions it describes but it boils down to a number of simple propositions.

First, that Sir John Kerr had become convinced that there would be no political settlement of the conflict between Government and Opposition which had blocked the passage of the budget through the Senate for nearly five weeks and threatened a financial crisis at the end of this month.

Second, that the only solution was a reference to the people—general elections, as demanded by the Opposition. And third, that because Mr. Whitlam would not advise the calling of such elections, he had to make way for Mr. Fraser, who would.

They were the sort of judgments which demonstrated the extraordinary similarity between the person alities of the principal players in the drama. Having made up his mind, Sir John Kerr was not more likely to back down than Mr Fraser or Mr Whitlam. There has probably never been such a confluence of single-minded intellects at the apex of Australian Government.

But Sir John Kerr bungled the job once he had defined it. There is no longer much doubt that Mr. Whitlam was sacked without warning or ultimatum because the Governor-General feared a counter-coup—his own dismissal from Buckingham Palace on Mr. Whitlam's advice.

In trying to avert that, he finished with a situation where his new chief adviser was immediately discredited in the House of Representatives and installed with a caretaker mandate which is close to unworkable. Yesterday, for example, 68 officers of the Treasury—the bastion of public service propriety—sent him a petition protesting against the work they were being asked to do for the new government.

Background

Sir John Kerr's background, so far as it touches politics, is entirely at the Labor end of the spectrum. His parents were party activists, his professional mentor was Dr. H. V. Evatt, his legal name was made in the trade union battle-ground of industrial law. But he would not choose sides when the Labor party split in the 1950s, deciding instead to sever his connections.

Balmain was genuine working-class when John Kerr was born there in 1914. To-day, it is rather trendy, but still the heartland of the safest Labor Party seat in Australia. The motivation for Sir John's actions this week certainly did not come from there. The suspicion contained in the mass media emphasis is that it came from the opposite end of the Governor-General's so-called rags-to-riches background.

There is nothing to support such a claim but it is sadly true that the election campaign now gathering pace has more overtones of class warfare than any since the turn of the century.

Trade deficit steady at £206m. in October

BY WILLIAM KEEGAN, ECONOMICS CORRESPONDENT

THE U.K. HAD a visible trade deficit of £206m. in October which, after allowance for an estimated surplus of £110m. on "invisibles," left a balance of payments deficit on current account of £96m.

In both cases the deficit figures were little changed from the previous month. They mean that for the first ten months of the year the current account deficit is just over £1.5bn., bearing out strongly the official claim for some time that the figure for 1975 as a whole is likely to be under £2bn.

This compares with an outturn of £3.66bn. for last year, but the recent trend has been in line with earlier Whitehall forecasts that the pace of improvement achieved during the first half of this year would not be sustained.

The recent deterioration in the current balance—from an average of £121m. a month in March-July to £151m. in August-October—has taken place in spite of a 3 per cent. improvement in the terms of trade—the ratio of average export prices to average import prices.

Although the physical volume of exports showed a welcome increase of 7½ per cent. between September and October (against a 4 per cent. rise in the volume of imports), between March-July and August-October the monthly average volume of exports fell ½ per cent., and the monthly average volume of oil imports rose by 3 per cent.

There were no large capital installation items for the North Sea swelling the import bill this time. But in the three months taken together, the monthly average volume of oil imports rose 12 per cent., to a large extent reflecting anticipation of the price rises.

One of the key factors affecting overseas trade from now on is the industrial stock position.

The big bout of de-stocking in the first nine months of this year was a major influence on the decline in the volume of imports from levels in the second half of last year.

Forecasts

While it is not clear whether the destocking process is complete—there was a further drop of 3½ per cent. in the volume of imported raw materials during the August-October period—there is general agreement that there is not much more running down of stocks to come.

It is possible to construct a wide range of forecasts for the course of the current balance of payments during 1976—depending on the pace at which world trade recovers.

But it is taken for granted in Whitehall that the factors which produced a dramatic reduction in the rate of the deficit earlier this year are no longer operating, and that there will still be a large current deficit to finance in 1976. This is an important part of the background to the U.K.'s recent decision finally to go to the International Monetary Fund for a $2bn. loan.

In value terms both exports and imports hit new peaks last month, with exports up £157m. to £1.74bn. and imports £158m. higher at £1.94bn.

Both of the monthly figures are considered to have been influenced by freakish elements—a third of the export increase was accounted for by increased shipments of diamonds, and a similar proportion of the import rise was accounted for by ships.

The average value of exports to the EEC and the rest of Europe went up by close to 10 per cent. between March-July and August-October (a period which, taking monthly averages, allows most of the distortions caused by the dock strike earlier this year to be eliminated).

After the vast expansion of exports to OPEC countries earlier this year, the increase over this period—on the same monthly average basis—was only 6 per cent. In value terms exports to North America fell ½ per cent., implying a much greater drop in volume.

In volume terms, the U.K.'s exports of manufactures went down 2 per cent. on average over the same period, with exports of metals showing a sharp 10 per cent. drop.

Imports of manufactures went up by only 1 per cent. in volume, although inward shipments of food, beverages and tobacco shot up 17 per cent.

Table, Page 23

Mortgage lending at record level

BY MICHAEL CASSELL

MORTGAGE LENDING reached the highest level ever achieved, last month, as the flow of funds into building societies surged ahead again.

Societies lent a record £492m. to home buyers, compared with £445m. the previous month, and it now seems likely that the monthly level of advances —in the next few months at least—will be around £500m.

House prices are still rising only slowly and, with investors' funds continuing to flow into branch offices at a high rate, societies believe that a further increase in lending is now possible.

They will be ready to cut back on mortgages, though, if their heavy lending begins to have any marked effect on prices.

According to the Building Societies' Association, the movement took in £843m. last month. Withdrawals amounted to £537m., leaving net receipts of £306m.—the third best total ever recorded. The highest was £406m. in April this year.

Apart from loans made during October, building societies also promised to lend £517m. —yet another record performance. By the end of last month, the movement had outstanding mortgage commitments of £1.18bn.

Mr. Norman Griggs, secretary-general of the association, pointed out that in the first 10 months of this year, societies provided 537,000 mortgage advances compared with 343,000 during the same period of 1974.

House prices

First-time buyers on mostly "modest" incomes were receiving 46 per cent. of all loans —a figure which has been higher in the past.

Mr. Griggs reported that average prices for all kinds of homes were now rising at an estimated 1 per cent. a month.

Prices of second-hand homes however, were rising "appreciably faster" than those for new houses and once the two came into line prices of new houses were likely to increase more sharply.

People interested in a new house should buy as soon as possible, he added.

The societies' next problem is likely to arise if they remain very competitive, so that funds continue to pour in and the rate of house price increases starts to accelerate significantly.

They do not wish to continue building up liquidity beyond the 20 per cent. level reached by most of them and, while also not wishing to take any action which could harm builders' confidence, they may have to look at existing interest rates next year.

THE LEX COLUMN

Growth to come at Redland

The final leg of the account brought a further increase in activity and not much overall change in share prices, which have so far held up well in the face of profit-taking: the Index finished 14 points up over the account. But yesterday's batch of economic statistics provided no new reason for enthusiasm.

Index fell 0.8 to 365.6

Redland

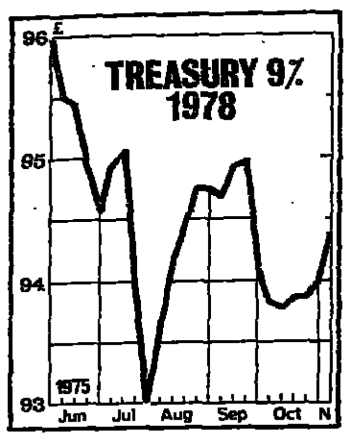
Redland's interim figurework —profits marginally higher at £10.3m. pre-tax—points to a good recovery in the current half year and to even sharper earnings gains during 1976-77. The U.K. is moving well, there are signs of a recovery in Germany and in the Australian associate; and yesterday the share price added to its recent run of relative strength—a rise of 40 per cent. over the past three months —by improving 3p to a new 98p high for the year.

For the six months sharp growth at home has offset declines of nearly 30 per cent. in Germany which takes overseas profits down to roughly half the pre-tax total. In the U.K. volume has edged forward in roofing tiles and bricks, and pipes have turned out of the red (which could be worth almost £1m. to Redland this year). But price rises are the real key to recovery; and that also goes for the hopes of an upturn in Germany where volume declines of a fifth have been turned into a rise of 2 per cent. since the end of the half-year.

If Redland can make £22m. pre-tax this year earnings on average capital would cover the forecast dividend over three times. Group net borrowings are now down to £18m., against £29.3m. in March (with the rights cash accounting for just three-fifths of the reduction). The prospective yield is 5½ per cent.; and profits next year could rise a fifth.

This has more than offset an advance in car batteries, and in Australasia and Asia (together over a fifth of profits in 1974-1975). Market share has been increased in the U.S. car sector and this division would have been ahead but for a sharp drop in lead prices, which knocked out £400,000.

This adjustment should not recur in the current half which



will also benefit from increased auto battery profits worldwide, first-time contributions from recent acquisitions (possibly worth £500,000 pre-tax) and the absence of £440,000 redundancy payments. The key industrial batteries side seems to be at the bottom of the cycle but there are no real signs yet of any improvement in orders, either on the Continent or in the U.K. But pre-tax profits could emerge not far short of last year's total of £16.2m. The shares have been relatively dull since the cautionary note sounded by the group in June and may continue to be so—with full recovery probably a year away. The market capitalisation is £97m. at 106p.

Chloride

Chloride has been trying hard to keep its growth record intact, but it is still at least partially a cyclical stock: half-year pre-tax profits are £643,000 lower at £7.32m., while earnings per share after the rights issue are 23 per cent. down. The main setback has been in plastics and metals on the Continent and the U.K. (a sixth of last year's profits) which have been hit by reduced demand and a smaller margin on the recovery of scrap lead.

Grindlays

Citibank has beaten the price to be paid for its new shares in Grindlays Bank down to net tangible asset value, as reduced by the half-year losses. But Grindlays could scarcely have hoped for more, when shares of Grindlays Holdings—which is still the majority shareholder in the bank—are selling at 39p against underlying tangible assets of 53p. As for the loans arranged by Lloyds Grindlays has had to settle a five-year term for both sterling and dollar facilities very minimum length adv by the Bank of England in recent paper on ca adequacy. The loans can be repaid early if they ca replaced by equity or lo term borrowings. It may be time for shareholders Lloyds to be asking ques about the extent to w Lloyds itself has provided £27m. total of loans, and the management controls installed to protect its in ment, which is subordinate the claims of all other cred

Takeover Panel

Central and Sheerw agreed bid for Ashbourne vestments could mark the ning of the end of the Tak Panel's longest running ache. The key lies in the played by Brandts, which years ago undertook to write part of a 46p-per bid for Ashbourne. The never materialised, and Panel has now ruled Brandts is under no oblig to come up with an offer own behalf.

However, Brandts has to finance on generous the cash option in Central —which happens to roughly as much money original undertaking. It viding a secured five-year of £885,000 at 12 per cent is buying £98,000 of expensive-looking Central rants. This seems an acce compromise in the ci stances, and so does the of the cash alternative—2 share.

But the intriguing feat that although one of the principles of the Takeover is that all shareholders receive equal treatment Panel has agreed that the alternative should not be available to owners of 4 cent. of the equity—the originally held by the sortium that failed to m earlier bid obligation. Th only take the paper bi nominal of unsecured l which seems likely to stan below par. Again, this a sensible interpretation of spirit of the Code—all the consortium might se other way.

Bank opposes BSC scheme to raise £70m. from City

BY LORELIES OLSLAGER AND MARGARET REID

THE BRITISH Steel Corporation's scheme for raising some £70m. through "selling" steel stocks to City institutions for repurchase in 2-4 years' time has run into opposition from the Bank of England.

Confidential discussions are continuing on the project, which has been widely seen as, in essence, a form of inflation-proof borrowing, since the repurchase price would be geared, at least in part, to the retail price index.

But it is believed that the Bank of England, with its central role in managing the public debt, dislikes the idea of a major nationalised industry making an unprecedented index-linked borrowing deal because it would complicate the whole programme of Government borrowing.

The issue touched off by this novel concept for fund-raising has coincided with the Corporation's warning to trade union leaders on Thursday that it expects to make a loss of £340m. this year and that it will have to cut costs by £400m. over the next year to avoid further "unacceptable" borrowing.

An "overwhelming" proportion of the £200m. saving sought for each of the next two financial years would have to be on labour costs, which would have to be cut by about 20 per cent.

The Corporation has told the unions that steps to cut labour costs this financial year would result in a saving of £73m., against a target of £110m.

Serious

Mr. Bill Sirs, of the Iron and Steel Trades Confederation, who is chairman of the TUC steel committee, said after the meeting that the unions accepted the seriousness of the situation.

They were willing to give every assistance they could, but he warned the BSC against taking any unilateral measures. "We will not have things forced on us."

The new BSC financial scheme which has clearly been devised to enlarge its armoury of cash-raising instruments, is evidently conceived by its creators, not as a borrowing method, but as a sale-and-buy-back scheme for present surplus steel stocks.

It is understood that, in its latest form, it would involve the participating institutions in ultimately selling the stocks back to the Corporation on a formula linked to steel prices as well as retail prices.

The money the institutions would receive back would be geared to the RPI, except that they would also get 40 per cent. of the extent to which steel prices had risen more than retail prices, or sacrifice 40 per cent. of that by which steel price increases had been smaller.

Apparently, some £58m. is thought to be available for the scheme, chiefly from pension funds.

Congress committee votes to cite Kissinger for contempt

BY DAVID BELL

WASHINGTON, Nov. 14.

A Congressional committee to-day voted to cite Dr. Henry Kissinger, Secretary of State, for contempt of Congress for refusing to hand over to it classified intelligence documents.

The contempt citation—the second of a Cabinet secretary in two days—follows the Administration's decision to ignore subpoenas issued by the House Intelligence Committee. Observers here do not recall a previous Congressional move to cite a Secretary of State for contempt and, if the motion is successful, Dr. Kissinger could be sent to prison.

The Secretary, who has already clashed with this committee over Cyprus, reacted angrily to the vote. He said he "profoundly regretted" it and that it would raise serious questions all over the world "about what this country is doing to itself."

There are three specific issues on which the committee is seeking more information: State department papers about secret CIA activities since 1965; the recommendations of the powerful National Security Council about these activities; material dealing with alleged Soviet violations of the 1972 and 1974 Arms Limitation Agreements with the U.S.

If the motion is passed by the House Rules Committee, it then goes before the full House and with Congress in its post-Watergate mood, it is too early to tell what reception it might have.

President Ford has personally backed Dr. Kissinger's stand on the grounds that "executive privilege" entitles him not to release the documents and that most of them relate to previous Administrations and previous Secretaries of State.

But the committee, which voted 10 to 2 in favour of the contempt motion, contends that executive privilege is a smokescreen behind which the Administration is trying to conceal potentially embarrassing information about who issued CIA orders and why.

More important, the committee also alleges that among the missing documents that it wants to see is a letter from Mr. James Schlesinger, the Defence Secretary who was recently dismissed by Mr. Ford. The committee says it has good reasons for suspecting that this letter details significant Soviet violations of the 1972 and 1974 disarmament agreements.

Fleet Street papers back again

BY ROY ROGERS, LABOUR CORRESPONDENT

FLEET STREET production of national newspapers, halted on Thursday night by a dispute over the dismissal of 96 engineers from the Daily Express, was resumed last night when Beaverbrook Newspapers agreed to reinstate them.

But the initial dispute over pay remains unresolved and will be the subject of further negotiations on Monday.

According to Mr. Jocelyn Stevens, managing director, Beaverbrook Newspapers lost some £400,000 as a result of the dispute which prevented publication of the Express for three days and the London Evening Standard for two.

All national newspapers other than the Communist Morning Star lost their London production yesterday, as did the London Evening News, because the entire 600-strong Fleet Street branch of the Amalgamated Union of Engineering Workers walked out in support of their dismissed colleagues on Thursday evening.

Manchester-printed editions of national dailies were not affected.

Yesterday's settlement represented a compromise, with the union dropping its insistence of "unconditional" reinstatement of the engineers, and the employers, represented by the Newspaper Publishers Association, reducing the conditions they were demanding.

The compromise was that there should be an immediate resumption of work "under normal working arrangements" which meant that certain vital pieces of machinery that disappeared on Tuesday night would be returned.

A joint NPA-AUEW statement last night made it clear that the two sides were still directly opposed on whether or not the employers were justified in dismissing the men, but added that both sides agreed "it would not be profitable to pursue the investigation."

After yesterday's successful talks, Mr. Bill McLoughlin, AUEW divisional organiser, declared he had evidence that nothing had been removed from the machines up to 7.30 p.m. on Tuesday when the men were informed they would be dismissed unless they worked normally.

His members then did "a number of things to ensure the safety of the machines" and while they may have been a little over-zealous about it, he felt that did not warrant the "highly charged and exaggerated reports of sabotage" that followed.

On Monday, the two sides will get together again under the chairmanship of Lord Goodman, NPA chairman, in a further bid to unravel the pay wrangle which centres on the Express engineer's demand for 8 per cent. increases to man machinery in a new extension to the paper's Fleet Street offices.

With the engineers earning between £102 a week for day work and £114 for nights, an 8 per cent. settlement would breach the Government's £6-a-week limit on increases—as has been pointed out by the Department of Employment.

All other printing unions recently settled for a £6-a-week increases including the Electrical and Plumbing Trades Union, whose members at the Express were originally also demanding increases of up to about £10 a week for manning the new machinery.

Weather

U.K. TO-DAY

MAINLY dry. Fog clearing.

London, E., S.E., N.E., Cent. N. England, Midlands.

Fog, dense in some areas, with frost, clearing slowly to hazy sunshine. Rain at times. Winds variable, light. Max 11C (52F).

Cent. S., S.W., N.W. England, Lakes, Wales, I. of Man, Channel Islands

Cloudy. A little rain or drizzle. Hill fog patches. Winds S. or S.E., moderate. Max. 11C (52F).

Scotland, N. Ireland

Cloudy. A little rain in places. Winds Westerly, light, moderate or fresh. Max. 9C (48F).

Outlook: Changeable. Becoming windy. Gales in N.

Lighting-up: London 16.42, Manchester 16.44, Glasgow 16.42, Belfast 16.54.

Long-range Forecast, Page 5

BUSINESS CENTRES

	Y'day mid-day	°C	°F		Y'day mid-day	°C	°F
Alexandria	C	21	70	Madrid	F	12	54
Amstrdm.	C	10	50	Manchstr.	S	4	39
Athens	F	17	63	Melbourne	C	23	73
Barcelona	S	19	66	Milan	F	7	45
Beirut	F	20	68	Montreal	Sn	4	39
Belfast	C	8	46	Moscow	S	0	32
Belgrade	S	9	48	Munich	R	8	46
Berlin	R	2	36	Newcastle	C	5	41
Birmghm.	C	1	34	New York	Sn	3	37
Bristol	C	5	41	Oslo	C	4	39
Brussels	F	5	41	Paris	C	8	46
Budapest	F	6	43	Perth	S	22	72
B Aires	S	9	48	Prague	C	6	43
Cairo	S	24	76	Reykjavik	F	−1	30
Cardiff	C	5	41	Rio de J'o	S	28	82
Cologne	C	1	34	Rome	F	16	61
Copnhagn.	F	5	41	Singapore	S	30	86
Dublin	C	9	48	Stockholm	F	5	41
Edinb'gh	C	8	46	Strasb'rg	C	5	41
Frankfurt	C	1	34	Sydney	C	22	72
Geneva	R	11	52	Tehran	R	7	45
Glasgow	C	8	46	Tel Aviv	C	21	70
Helsinki	C	2	36	Tokyo	R	15	59
H. Kong	C	20	68	Toronto	C	−1	30
Jo'burg	C	17	63	Vienna	F	3	37
Lisbon	S	17	63	Warsaw	F	3	38
London	C	6	43	Zurich	R	9	48
Luxembg.	C	1	34				

HOLIDAY RESORTS

	Y'day mid-day	°C	°F		Y'day mid-day	°C	°F
Ajaccio	F	17	63	Istanbul	C	10	50
Algiers	F	22	72	Jersey	C	13	55
Biarritz	C	15	59	Las Plms.	S	22	72
Blackpool	C	4	39	Locarno	S	11	52
Bordeaux	C	14	57	Majorca	S	21	70
Boulogne	S	8	46	Malaga	S	18	64
Casablnca.	F	25	77	Malta	S	21	70
Cape Town	S	20	68	Nairobi	C	20	68
Corfu	R	13	55	Naples	C	17	63
Dubrovnik	C	12	54	Nice	S	18	64
Faro	S	17	63	Oporto	F	17	63
Florence	S	16	61	Rhodes	S	17	63
Funchal	S	22	72	Salzburg	R	9	48
Gibraltar	F	17	63	Tangier	S	26	79
Guernsey	C	14	57	Tenerife	S	20	68
Innsbruck	R	5	41	Tunis	F	24	75
Inverness	S	8	46	Valencia	S	23	73
I of Man	C	10	50	Venice	S	14	57

S—Sunny. F—Fair. C—Cloudy. R—Rain. Sn—Snow.

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